DRAFT RED HERRING PROSPECTUS
March 13, 2025
Draft Red Herring Prospectus will be updated upon filing with the RoC)
Please read Section 32 of the Companies Act, 2013
100% Book Built Offer

(**Please scan this QR Code to view the DRHP**)

ALLCHEM LIFESCIENCE LIMITED

Corporate Identification Number: U24299GJ2017PLC095094

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	E-MAIL AND TELEPHONE	WEBSITE
Block No. 1088/B/P, 1088-A, Lamdapura Road, Village Manjusar, Tal-Savli, Vadodara, Vadodara, Gujarat-391775, India	Jigardan Gadhvi, Company Secretary and Compliance Officer	**Email:** investor@allchemlifescience.com **Tel:** +91-9574722211	www.allchemlifescience.com

OUR PROMOTERS: BIPIN PATEL, KANTILAL RAMANLAL PATEL, ADITI PATEL AND MANISHA BIPIN PATEL

DETAILS OF THE OFFER

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIIs AND RIIs
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 1,900.00 million	Up to 7,155,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	Up to [●] Equity Shares, of face value of ₹ 10 each aggregating up to ₹ [●] million	The Offer is being made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (**SEBI ICDR Regulations**). For further details, see *'Other Regulatory and Statutory Disclosures - Eligibility for the Offer'* on page 410. For details in relation to share reservation among QIBs, NIIs and RIIs, see *'Offer Structure'* on page 430.

DETAILS OF THE OFFER FOR SALE BY PROMOTER SELLING SHAREHOLDERS

NAME OF THE PROMOTER SELLING SHAREHOLDERS	TYPE	NO. OF EQUITY SHARES BEING OFFERED / AMOUNT (IN ₹ MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARES* (IN ₹)
Kantilal Ramanlal Patel	Promoter Selling Shareholder	Up to 3,577,500 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	1.12
Manisha Bipin Patel	Promoter Selling Shareholder	Up to 3,577,500 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million	1.12

* *As certified by M/s Talati & Talati LLP, Statutory Auditors, pursuant to a certificate dated March 13, 2025.*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Share is ₹ 10 each. The Floor Price, the Cap Price and the Offer Price as determined and justified by our Company, in consultation with the BRLM, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, in accordance with the SEBI ICDR Regulations, and as stated under '*Basis for the Offer Price*' on page 111 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India (**SEBI**), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to '*Risk Factors*' on page 27.

ISSUER'S AND PROMOTER SELLING SHAREHOLDERS ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each Promoter Selling Shareholder, severally and not jointly, accepts responsibility for and confirms the statements made or undertaken expressly by such Promoter Selling Shareholders in this Draft Red Herring Prospectus only to the extent of information specifically pertaining to them and their respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each Promoter Selling Shareholder, severally and not jointly, assumes no responsibility for any other statement in this Draft Red Herring Prospectus, including, inter alia, any other statements made by or relating to our Company or our Company's business or any other Promoter Selling Shareholder.

LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the BSE Limited (**BSE**) and the National Stock Exchange of India Limited (**NSE**, and together with the BSE, the **Stock Exchanges**). For the purposes of the Offer, [●] is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER

LOGO	NAME OF THE BOOK RUNNING LEAD MANAGER	CONTACT PERSON	E-MAIL AND TELEPHONE
Emkay Your success is our success	Emkay Global Financial Services Limited	Pranav Nagar / Pooja Sarvankar	**E-mail:** allchem.ipo@emkayglobal.com **Tel:** +91 22 6612 1212

REGISTRAR TO THE OFFER

LOGO	NAME OF THE REGISTRAR	CONTACT PERSON	E-MAIL AND TELEPHONE
MUFG MUFG Intime	**MUFG Intime India Private Limited** *(formerly Link intime India Private Limited)*	Shanti Gopalkrishnan	**E-mail:** allchemlifescience.ipo@in.mpms.mufg.com **Tel:** +91 8108114949

BID/OFFER PERIOD

ANCHOR INVESTOR BID/ OFFER PERIOD OPENS AND CLOSES ON*	[●]	BID/OFFER OPENS ON*	[●]	BID/OFFER CLOSES ON**^	[●]

* *Our Company, in consultation with the BRLM, may consider participation by the Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding / Offer Period shall be 1 Working Day prior to the Bid/Offer Opening Date.*

** *Our Company, in consultation with the BRLM, may consider closing the Bid/Offer Period for QIBs 1 Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

^ *UPI mandate end time and date shall be at 5:00 pm, on Bid/Offer Closing Date.*

ALLCHEM LIFESCIENCE LIMITED

Our Company was originally incorporated as 'Allchem Lifescience Private Limited', at Ahmedabad as a private limited company under the provisions of Companies Act, 2013 and received a certificate of incorporation issued by the RoC on January 12, 2017. Thereafter, pursuant to a special resolution passed by the shareholders of our Company in their meeting on September 13, 2024, the name of our Company was changed from 'Allchem Lifescience Private Limited' to 'Allchem Lifescience Limited', and a fresh certificate of incorporation dated October 28, 2024, was issued to our Company by the RoC. For details of changes in the name and registered office of our Company, see '*History and Certain Corporate Matters*' on page 227.

Registered and Corporate Office: Block No. 1088/B/P,1088-A, Lamdapura Road, Village Manjusar, Ta-Sali, Vadodara, Guajarat-391775, India.
Contact Person: Jigardan Gadhvi, Company Secretary and Compliance Officer; **Tel**: +91-9574722211
E-mail: investor@allchemlifescience.com; **Website**: www.allchemlifescience.com
Corporate Identification Number: U24299GJ2017PLC095094

OUR PROMOTERS: BIPIN PATEL, KANTILAL RAMANLAL PATEL, MANISHA BIPIN PATEL AND ADITI PATEL
INITIAL PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (EQUITY SHARES) OF ALLCHEM LIFESCIENCE LIMITED (COMPANY) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (OFFER PRICE) AGGREGATING UP TO ₹ [●] MILLION (OFFER) COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ 1,900.00 MILLION BY OUR COMPANY (FRESH ISSUE) AND AN OFFER FOR SALE OF UP TO 7,155,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ [●] MILLION BY THE PROMOTER SELLING SHAREHOLDERS (OFFER FOR SALE) COMPRISING UP TO 3,577,500 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ [●] MILLION BY KANTILAL RAMANLAL PATEL, AND UP TO 3,577,500 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ [●] MILLION BY MANISHA BIPIN PATEL, (COLLECTIVELY, THE PROMOTER SELLING SHAREHOLDERS, AND SUCH EQUITY SHARES, THE OFFERED SHARES). THE OFFER SHALL CONSTITUTE [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. **THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL EDITIONS OF THE [●], AN ENGLISH LANGUAGE NATIONAL DAILY WITH WIDE CIRCULATION, ALL EDITIONS OF [●], A HINDI LANGUAGE NATIONAL DAILY WITH WIDE CIRCULATION, AND [●] EDITION OF [●], A GUJARATI LANGUAGE NATIONAL DAILY NEWSPAPER (GUJARATI BEING THE REGIONAL LANGUAGE OF GUJARAT WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST 2 WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED (BSE) AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE, AND TOGETHER WITH THE BSE, THE STOCK EXCHANGES) FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES, IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (SEBI ICDR REGULATIONS).**
In case of any revision in the Price Band, the Bid/Offer Period will be extended by at least 3 additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of *force majeure,* banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of 1 Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLM and at the terminals of the members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable.
The Offer is being made through Book Building Process, in terms of Rule 19(2)(b) of the Securities Contacts (Regulation) Rules, 1957 (**SCRR**), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made in accordance with Regulation 6(1) of the SEBI ICDR Regulations, through the Book Building Process wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (**QIBs**) (such portion referred to as **QIB Portion**), provided that our Company, in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (**Anchor Investor Portion**), out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors (**Anchor Investor Allocation Price**), in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the

Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) one-third of such portion shall be reserved for applicants with application size of more than ₹ 0.2 million and up to ₹ 1.00 million; and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders (except Anchor Investors) are required to mandatorily use the Application Supported by Blocked Amount (**ASBA**) process providing details of their respective ASBA accounts, and UPI ID in case of UPI Bidders, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank(s) under the UPI Mechanism, as applicable, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For further details, see '*Offer Procedure*' on page 435.

RISK IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10. The Floor Price, the Cap Price and the Offer Price as determined and justified by our Company, in consultation with the BRLM, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, in accordance with the SEBI ICDR Regulations, and as stated under '*Basis for the Offer Price*' on page 111 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to '*Risk Factors*' on page 435.

ISSUER'S AND PROMOTER SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each Selling Shareholder, severally and not jointly, accepts responsibility only for and confirms the statements made or undertaken expressly by it in this Draft Red Herring Prospectus only to the extent of information specifically pertaining to it and its respective portion of the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each Selling Shareholder, severally and not jointly, assumes no responsibility for any other statement in this Draft Red Herring Prospectus, including, inter alia, any other statements made by or relating to our Company or its business or any other Selling Shareholder.

LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, [●] is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For further details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, see *'Material Contracts and Documents for Inspection'* on page 496.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE OFFER
Your success is our success	MUFG Intime
Emkay Global Financial Services Limited 7th Floor, The Ruby, Senapati Bapat Marg, Dadar – West, Mumbai - 400 028, Maharashtra, India **Tel:** +91 22 6612 1212 **E-mail:** allchem.ipo@emkayglobal.com **Website:** www.emkayglobal.com	**MUFG Intime India Private Limited** *(formerly Link intime India Private Limited)* C-101, 247 Park, 1st Floor, L B S Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India. **Tel:** +91 8108114949 **E-mail:** allchemlifescience.ipo@in.mpms.mufg.com **Website:** www.linkintime.co.in

Investor grievance e-mail: ibg@emkayglobal.com **Contact person:** Pranav Nagar/Pooja Sarvankar **SEBI Registration Number:** INM000011229	**Investor grievance e-mail:** allchemlifescience.ipo@in.mpms.mufg.com **Contact Person:** Shanti Gopalkrishnan **SEBI Registration Number:** INR000004058

BID/OFFER PERIOD					
ANCHOR INVESTOR BIDDING DATE*	[●]	**BID/OFFER OPENS ON***	[●]	**BID/OFFER CLOSES ON**^**	[●]

** Our Company, in consultation with the BRLM, may consider participation by the Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 Working Day prior to the Bid/Offer Opening Date.*
*** Our Company, in consultation with the BRLM, may consider closing the Bid/Offer Period for QIBs 1 Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*
^ UPI mandate end time and date shall be at 5:00 pm, on Bid/Offer Closing Date.

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CONTENTS

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any statutes, regulations, rules, guidelines or policies shall be to such statute, regulation, rule, guideline or policy as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the same meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms used in 'Description of Equity Shares and Main Provisions of the Articles of Association', 'Basis for the Offer Price', 'Industry Overview', 'Key Regulations and Policies', ' History and Certain Corporate Matters', 'Our Promoters and Promoter Group', 'Financial Information', 'Outstanding Litigation and Other Material Developments', Offer Procedure', and 'Restriction on Foreign Ownership of Indian Securities' on pages 457, 111, 130 *, 221, 227, 255, 261, 399, 435, and 455 respectively, shall have the meaning ascribed to such terms in the relevant section.*

General terms

Term	Description
'our Company', or 'the Company' or 'the Issuer'	Allchem Lifescience Limited, with registered office situated at Block No:1088/B/P, 1088-A, Lamdapura Road, Village Manjusar, Tal-Savli, Vadodara, Gujarat - 391 775, India.
'we', 'us', or 'our'	Unless the context otherwise indicates or implies or refers to our Company.

Company related terms

Term	Description
AoA/ Articles of Association/ Articles	Articles of association of our Company, as amended.
Audit Committee	The audit committee of our Company, constituted in accordance with the applicable provisions of the Companies Act and the SEBI Listing Regulations and as described in '*Our Management – Committees of Our Board*' on page 240.
Auditors/ Statutory Auditors	The current statutory auditors of our Company, namely, Talati & Talati LLP, Chartered Accountants, Firm Registration No. 110758W/W100377
Board or Board of Directors	The board of directors of our Company or a duly constituted committee thereof. For further details, see *'Our Management'* on page 233.
Chairman and Managing Director	The Chairman and Managing Director of our Company, namely, Bipin Patel. For further details, see *'Our Management'* on page 233.
Chief Financial Officer or CFO	The chief financial officer of our Company, namely, Sachin K Mistry. For further details, see *'Our Management - Key Managerial Personnel and Senior Management'* on page 251.
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, namely, Jigardan Gadhvi. For further details, see *'Our Management - Key Managerial Personnel and Senior Management'* on page 251.
Corporate Social Responsibility Committee / CSR Committee	The corporate social responsibility committee of our Company, constituted in accordance with the applicable provisions of the Companies Act and as described in '*Our Management - Committees of Our Board*' on page 240.
Director(s)	The director(s) on our Board, as appointed from time to time. For further details, see *'Our Management'* on page 233.
Equity Shares	Equity shares of our Company of face value of ₹ 10 each.
Executive Director(s)	Executive Directors of our Company namely Bipin Patel, Kantilal Ramanlal Patel and Aditi Patel. For further details, see "*Our Management*" on page 233.

Term	Description
Group Company	Our group company, namely Novan Trade Chem Private Limited, identified in accordance with Regulation 2(1)(t) of the SEBI ICDR Regulations and the Materiality Policy, as disclosed in section titled "*Our Group Companies*" on page 408.
Independent Director(s)	Non-Executive directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act and the SEBI Listing Regulations, namely, Lavina Bharatkumar Chhugani, Hemang Mehta and Rajnikant Chimanlal Diwan. For details of the Independent Directors, see '*Our Management*' on page 233.
Key Managerial Personnel / KMP	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act and as disclosed in '*Our Management - Key Managerial Personnel and Senior Management*' on page 251.
Manufacturing Facility	Manufacturing facility of our Company situated in Village: Manjusar, Vadodara, Gujarat
Materiality Policy	The policy adopted by our Board pursuant to the resolution dated March 12, 2025, for identification of: (a) material outstanding litigation involving our Company, our Promoters, our Directors, our KPMs and SMs; (b) material Group Companies; and (c) material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations and for the purpose of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.
Memorandum of Association/ MoA	The memorandum of association of our Company, as amended from time to time.
Memorandum of Understanding / MoU	Memorandum of Understanding by and between M/s Allchem Laboratories (proprietorship concern of Bipin Patel) and Allchem Lifescience Limited dated March 31, 2017
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, constituted in accordance with the applicable provisions of the Companies Act and the SEBI Listing Regulations and as described in '*Our Management – Committees of Our Board*' on page 240.
Promoters	Bipin Patel, Manisha Bipin Patel, Kantilal Ramanlal Patel and Aditi Patel are the promoters of our Company.
Promoter Selling Shareholder(s) or Selling Shareholder(s)	Collectively, Kantilal Ramanlal Patel and Manisha Bipin Patel
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in '*Our Promoter and Promoter Group*' on page 255
Registrar of Companies or RoC	Registrar of Companies, Gujarat at Ahmedabad.
Registered and Corporate Office or Registered Office	The registered office of our Company is situated at Office Block No. 1088/B/P, 1088-A Lamdapura Road, Village Manjusar, Tal-Savli, Vadodara -391 775 Gujarat, India.
Restated Financial Statements	The restated financial statements of our Company included in this Draft Red Herring Prospectus comprising the restated statement of assets and liabilities of our Company as at the 6 month ended September 30, 2024 and the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, the restated summary statements of profit and loss of our Company, the restated summary statement of cash flows and the restated statement of changes in equity for 6 month ended September 30, 2024 and the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, together with the notes to the restated financial statements prepared in accordance with Ind AS and restated in accordance with section 26 of the Companies Act and the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
Risk Management Committee	Risk management committee of our Board, as described in the section titled '*Our Management - Committees of our Board of Directors*' on page 240.

Term	Description
'Senior Management Personnel' or 'Senior Management' or 'SMP'	Senior management of our Company in accordance with Regulation 2(1) (bbbb) of the SEBI ICDR Regulations and as disclosed in '*Our Management - Key Managerial Personnel and Senior Management*' on page 251.
Shareholder(s)	Shareholder(s) holding Equity Shares of our Company, from time to time.
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act and the SEBI Listing Regulations, and as described in '*Our Management - Committees of Our Board*' on page 240.
Whole-Time Director	The whole-time director of our Company, namely, [●]. For further details, see '*Our Management*' on page 233.

Offer Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.
Allot, Allotment or Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue, and transfer of the Offered Shares by the Promoter Selling Shareholders pursuant to the Offer for Sale, to the successful Bidders.
Allotment Advice	A note or advice or intimation of Allotment sent to all the Bidders who have Bid in the Offer after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom the Equity Shares are Allotted.
Anchor Investor(s)	A QIB, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and this Draft Red Herring Prospectus and the Red Herring Prospectus who has bid for an amount of at least ₹ 100 million.
Anchor Investor Allocation Price	The price at which the Equity Shares will be allocated to the Anchor Investors in terms of this Draft Red Herring Prospectus and Prospectus, which will be decided by our Company in consultation with the BRLM, on the Anchor Investor Bidding Date.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bidding Date	The date 1 Working Day prior to the Bid/ Offer Opening Date, on which Bids by the Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of this Draft Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the BRLM.
Anchor Investor Pay-In Date	With respect to the Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, a date not later than 2 Working Days after the Bid/ Offer Closing Date.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company in consultation with the BRLM, to the Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.

Term	Description
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form, which may be blocked by such SCSB or the account of the UPI Bidders blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder using the UPI Mechanism, to the extent of the Bid Amount of the ASBA Bidder.
ASBA Bid	A Bid made by an ASBA bidder.
ASBA Bidders	All Bidders except Anchor Investor(s)
ASBA Form(s)	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of this Draft Red Herring Prospectus and the Prospectus.
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), the Refund Bank(s), the Sponsor Bank(s) and the Public Offer Account Bank(s), as the case may be.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, and which is described in '*Offer Structure*' on page 430.
Bid	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations and in terms of this Draft Red Herring Prospectus and the Bid cum Application form. The term 'Bidding' shall be construed accordingly.
Bid Amount	In relation to each Bid, the highest value of optional Bids indicated in the Bid cum Application Form and, in the case of Retail Individual Bidders, Bidding at the Cut-off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case may be, upon submission of the Bid.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and the Prospectus.
Bid Lot	[●] Equity Shares of face value of ₹ 10 each and in multiples of [●] Equity Shares of face value of ₹ 10 each thereafter.
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of the [●]an English language national daily with wide circulation and all editions of [●], a Hindi language national daily with wide circulation and all editions of [●], a Gujarati language daily newspaper (Gujarati being the regional language of Gujarat where our Registered Office is located). Our Company may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs 1 Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in all editions of the [●], an English language national daily with wide circulation and all editions of [●] a Hindi language national daily with wide circulation and all editions of [●], a Gujarati language daily newspaper (Gujarati being the regional language of Gujarat where our Registered Office is located).

Term	Description
Bid/Offer Period	Except in relation to the Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations. Our Company may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs 1 Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.
Bidder / Applicant / Investor	Any prospective investor who makes a Bid pursuant to the terms of this Draft Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centres	The centres at which at the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
Book Running Lead Manager/BRLM	The book running lead manager to the Offer namely, Emkay Global Financial Services Limited.
Broker Centres	Broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker and in case of RIBs only ASBA Forms with UPI. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
CAN or Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to the Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. Cap Price shall be at least 105% of the Floor Price and shall not exceed 120% of the Floor Price.
CARE	CARE Analytics and Advisory Private Limited
CARE Report	The report titled '*Research Report on API Intermediates Industry*' prepared by CARE Analytics and Advisory Private Limited dated March 10, 2025 which has been exclusively commissioned and paid for by our Company specifically in connection with the Offer.
Cash Escrow and Sponsor Bank Agreement	The agreement to be entered amongst our Company, the Promoter Selling Shareholders , the Registrar to the Offer, the BRLM, the Syndicate Members and the Banker(s) to the Offer for the appointment of the Sponsor Bank in accordance with the Circular on Streamlining of Public Issues, the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof.
Client ID	Client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant(s)/CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), as per the list available on the websites of BSE and NSE, as updated from time to time.
Collecting Registrar and Share Transfer Agents/CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the UPI Circulars.

Term	Description
Cut-off Price	Offer Price, finalised by our Company in consultation with the BRLM which shall be any price within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details and UPI ID, where applicable.
Designated CDP Locations	Such locations of the CDPs where Bidders (other than Anchor Investors) can submit the ASBA Forms (in case of UPI Bidders only ASBA Forms under UPI). The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Accounts(s) to the Public Offer Account(s) or the Refund Account(s), as the case may be, and instructions are given to the SCSBs (in case of UPI Bidders using UPI Mechanism, instructions through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account(s) or the Refund Account(s), as appropriate, in terms of this Draft Red Herring Prospectus and the Prospectus following which Equity Shares will be Allotted in the Offer to the successful Bidders.
Designated Intermediaries	In relation to ASBA Forms submitted by RIBs, and Non-Institutional Bidders with an application size of up to ₹ 0.50 million (not using the UPI mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, Sub Syndicate/agents, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, Sub Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTA.
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs (in case of UPI Bidders, only ASBA Forms under UPI). The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
Designated SCSB Branches	Such branches of the SCSBs, which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	[●]
Draft Red Herring Prospectus/DRHP	This draft red herring prospectus dated March 13, 2025 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer including any addenda or corrigenda thereto.
Emkay	Emkay Global Financial Services Limited
Eligible FPIs	FPIs that are eligible to participate in this Offer in terms of applicable laws.
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and this Draft Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares.

Term	Description
Escrow Account(s)	Non-lien and non-interest-bearing accounts to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank(s)	Bank(s) which is a clearing member and registered with SEBI as banker to an offer, under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, and with whom the Escrow Account in relation to the Offer for Bids by Anchor Investors, will be opened, in this case being [●].
First Bidder/Sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted, and which shall not be less than the face value of the Equity Shares
Fresh Issue	The fresh issue component of the Offer comprising an issuance of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 1,900.00 million by our Company.
Fraudulent Borrower	A company or person, as the case may be, categorised as a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on fraudulent borrowers issued by the RBI.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document or GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and modified and updated pursuant to the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the BSE at www.bseindia.com, the NSE at www.nseindia.com and the BRLM.
Gross Proceeds	The gross proceeds of the Fresh Issue that will be available to our Company.
Independent Chartered Engineer	The independent chartered engineer appointed by our Company, namely, A.Y. Chippa, bearing registration number M1075161/5.
Maximum RIB Allottees	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price.
Monitoring Agency	[●]
Monitoring Agency Agreement	The agreement to be entered into between our Company and the Monitoring Agency prior to filing of the Red Herring Prospectus.
Mutual Fund Portion	5% of the Net QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares of face value of ₹ 10 each which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Proceeds	The Offer Proceeds less our Company's share of the Offer related expenses applicable to the Fresh Issue. For further details regarding the use of the Net Proceeds and the Offer expenses, see '*Objects of the Offer*' on page 101.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non-Institutional Bidders/NIBs	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than ₹ 0.20 million (but not including NRIs other than Eligible NRIs).

Term	Description
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer consisting of [●] Equity Shares of face value of ₹ 10 each which shall be available for allocation to Non-Institutional Bidders in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price, out of which (i) one third shall be reserved for Non-Institutional Bidders with application size exceeding ₹ 0.20 million up to ₹ 1.00 million; and (ii) two-thirds shall be reserved for Non-Institutional Bidders with application size exceeding ₹ 1.00 million. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Bidders.
Non-Resident	Person resident outside India, as defined under FEMA and includes NRIs, FVCIs, VCFs, and FPIs.
Offer	The initial public offer of up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] each, aggregating up to ₹ [●] million, comprising of a Fresh Issue of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 1,900.00 million; and Offer for Sale of up to 7,155,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] by the Promoter Selling Shareholders.
Offer Agreement	The agreement dated March 13, 2025, amongst our Company, the Promoter Selling Shareholders and the BRLM pursuant to which certain arrangements have been agreed to in relation to the Offer.
Offer for Sale	The offer for sale of up to 7,155,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million by the Promoter Selling Shareholders, namely Kantilal Ramanlal Patel and Manisha Bipin Patel.
Offer Price	The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors in terms of this Draft Red Herring Prospectus and Prospectus. The Offer Price will be decided by our Company, in consultation with the BRLM on the Pricing Date, in accordance with the Book Building Process and in terms of this Draft Red Herring Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company in consultation with the BRLM in terms of the Red Herring Prospectus and the Prospectus.
Offer Proceeds	The Fresh Issue, and the proceeds of the Offer for Sale which shall be available to the Promoter Selling Shareholders. For further details regarding use of the Offer Proceeds, see '*Objects of the Offer*' on page 101.
Offered Shares	Up to 7,155,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million offered for sale by the Promoter Selling Shareholders. For further details, see '*The Offer*' on page 65.
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (i.e., the Floor Price) and the maximum price of ₹ [●] per Equity Share (i.e., the Cap Price) including any revisions thereof. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company, in consultation with the BRLM, and will be advertised in all editions of the [●], an English language national daily with wide circulation, and all editions of [●], a Hindi language national daily with wide circulation and all editions of [●], a Guajarati language daily newspaper (Gujarati being the regional language of Gujarat where our Registered Office is located). at least 2 Working Days prior to the Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. Provided that the Cap Price shall be the minimum 105% of the Floor Price and shall not exceed than 120% of the Floor Price.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalise the Offer Price.

Term	Description
Prospectus	The prospectus to be filed with the RoC for this Offer in accordance with the provisions of Section 26 of the Companies Act and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account(s)	Bank account(s) to be opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date.
Public Offer Account Bank(s)	The bank(s) which are clearing members and registered with the SEBI as a banker to an issue under the Securities and Exchange Board of India (Bankers to an Offer) Regulations, 1994, with which the Public Offer Account(s) shall be opened, being [●].
QIB Category/QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer consisting of [●] Equity Shares of face value of ₹ 10 each which shall be available for allocation on a proportionate basis to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors).
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus or RHP	Red Herring Prospectus issued in accordance with Section 32 of the Companies Act and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the Offer Price and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least 3 Working Days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made.
Refund Bank(s)	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being [●].
Registered Brokers	Stockbrokers registered under SEBI (Stockbrokers) Regulations, 1992, as amended with the Stock Exchanges having nationwide terminals, other than the BRLM and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/ CFD/ 14/ 2012 dated October 4, 2012, issued by SEBI.
Registrar Agreement	The agreement dated March 13, 2025 amongst our Company, the Promoter Selling Shareholders, and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Registrar and Share Transfer Agents/ RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and the UPI circular, as per the lists available on the websites of BSE and NSE.
Registrar to the Offer/Registrar	MUFG Intime India Private Limited *(formerly Link intime India Private Limited)*
Retail Individual Bidder(s)/ Retail Individual Investors/ RIB(s)/ RII(s)	Individual Bidders who have Bid for the Equity Shares for an amount not more than ₹0.20 million in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
Retail Portion	The portion of the Offer being not less than 35% of the Offer comprising of [●] Equity Shares of face value of ₹ 10 each, which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Term	Description
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date.
SCORES	Securities Exchange Board of India Complaints Redressal System
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time
Share Escrow Agent	Share escrow agent appointed pursuant to the Share Escrow Agreement, in this case being, [●].
Share Escrow Agreement	The agreement to be entered into amongst the Promoter Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer by each Promoter Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees.
Specified Locations	Bidding Centres where the Syndicate shall accept Bid cum Application Forms from the Bidders and in case of RIBs, only ASBA Forms with UPI.
Sponsor Bank(s)	The Banker to the Offer registered with SEBI, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41 and update from time to time, which is appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the UPI Bidders into the UPI, the Sponsor Bank in this Offer being [●].
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited.
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate/ members of the Syndicate	Together, the BRLM and the Syndicate Members.
Syndicate Agreement	The agreement to be entered into among our Company, the Registrar to the Offer, the Promoter Selling Shareholders, the BRLM and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate.
Syndicate Members	Intermediaries registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter, namely, [●].
Underwriters	[●].
Underwriting Agreement	The agreement to be entered into among our Company, the Promoter Selling Shareholders and the Underwriters on or after the Pricing Date but prior to filing of the Prospectus.
UPI	Unified Payment Interface, which is an instant payment mechanism, developed by NPCI.

Term	Description
UPI Bidder(s)	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion, and (ii) Non-Institutional Bidders with an application size of more than ₹ 0.20 million and up to ₹ 0.50 million in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 0.50 million shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an Offer and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI Circular	SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) along with the Circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the Circular issued by the BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard including SEBI Circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, if the Offer is undertaken through the said circular.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI linked mobile application and by way of a SMS directing the UPI Bidder to such UPI linked mobile application) to the UPI Bidder initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The mechanism that may be used by UPI Bidders to make a Bid in the Offer in accordance with the UPI Circular.
Wilful Defaulter or Fraudulent Borrower	A wilful defaulter or a fraudulent borrower as defined in Regulation 2(1)(lll) of the SEBI ICDR Regulations, or a fraudulent borrower in terms of RBI's Master Circular dated July 1, 2016 and relevant circulars issued by RBI.
Working Day	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, 'Working Day' shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai, Maharashtra and Vadodara, Gujarat are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, 'Working Day' shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

Technical / industry related terms

Term	Description
API	Active Pharmaceutical Ingredients
BMR	Batch Manufacturing Record
CDSCO	Central Drugs Standard Control Organization
CEP	Certificates of Sustainability
DMF	Drug Master File
EIA	Environmental Impact Assessment
EMA	European Medicines Agency

Term	Description
ETP	Effluent Treatment Plants
GMP	Good Manufacturing Practices
KSMs	Key Starting Materials
PLI	Product Linked Incentive
QA	Quality Assurance
QC	Quality Control
SOP	Standard Operating Procedures
US FDA	United States Food and Drug Administration
ZLD	Zero Liquid Discharge

Conventional and general terms and abbreviations

Term	Description
₹/ Rs. / Rupees/ INR	Indian Rupees
AIFs	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations
AS or Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India.
Banking Regulation Act	The Banking Regulation Act, 1949
Bn/bn	Billion
BSE	BSE Limited
CAGR	Compounded annual growth rate.
Calendar Year	Unless stated otherwise, the period of 12 months ending December 31 of that particular year
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPI(s)	FPIs who are registered as ‘Category I foreign portfolio investors’ under the SEBI FPI Regulations.
Category II FPI(s)	FPIs who are registered as ‘Category II foreign portfolio investors’ under the SEBI FPI Regulations.
CDSL	Central Depository Services (India) Limited.
CEO	Chief Executive Officer
CIN	Corporate Identity Number
Companies Act, 1956	Erstwhile Companies Act, 1956 along with the relevant rules made thereunder.
Companies Act/ Companies Act, 2013	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder.
COVID-19	The novel coronavirus disease which was declared as a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020 by the World Health Organisation.
CSR	Corporate Social Responsibility
CY	Calendar Year
Depositories	Together, NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant’s Identification
‘DP’ or ‘Depository Participant’	A depository participant as defined under the Depositories Act
DPIIT	Department for Promotion of Industry and Internal Trade
EBITDA	Earnings before interest, taxes, depreciation, and amortization.
EBITDA Margin	EBITDA / Revenue from Operations
EGM	Extraordinary General Meeting
EMDE(s)	Emerging Markets and Developing Economies
EPS	Earnings per Share
FCNR Account	Foreign Currency Non-Resident Account

Term	Description
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year	Financial year as defined under Regulation 2(1) (oa) of the SEBI ICDR Regulations
'Fiscal', 'fiscal', 'Fiscal Year' or 'FY'	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI(s)	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
GAAP	Generally Accepted Accounting Principles
GDP	Gross domestic product
'GoI' or 'Government'	Government of India
GST	Goods and services tax
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
HUF	Hindu undivided family
Income Tax Act or IT Act	Income Tax Act, 1961
Ind AS / Indian Accounting Standards	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015, as amended
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
KYC	Know Your Customer
MCA	Ministry of Corporate Affairs, Government of India
MSME	Micro, Small & Medium Enterprises
'N.A.' or 'NA'	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NBFC-SI	A systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
No.	Number
NPCI	National Payments Corporation of India
'NR' or 'Non-Resident'	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
NRE Account	Non-Resident External Accounts
NRI	A person resident outside India, who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or an 'Overseas Citizen of India Cardholder' within the meaning of Section 7(A) of the Citizenship Act, 1955
NRO	Non-Resident Ordinary
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
'OCB' or 'Overseas Corporate Body'	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to participate in the Offer
PAT	Profit After Tax
PAT Margin	PAT / Revenue from operations

Term	Description
PBT	Profit Before Tax
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
ROE	Return on Equity
RoNW	Return on Net Worth
ROCE	Return on Capital Employed
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI NCRPS Regulations	SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI Mutual Funds Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as repealed by the SEBI AIF Regulations
Stock Exchanges	Together, BSE and NSE
TAN	Tax deduction account number
‘U.S.’ or ‘USA’ or ‘United States’	United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act of 1933, as amended
‘USD’ or ‘US$’	United States Dollars
VAT	Value added tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations
WACA	Weighted Average Cost of Acquisition

SUMMARY OF THE OFFER DOCUMENT

Unless otherwise indicated, industry and market data used in this section has been derived from CARE Report prepared and issued by CARE appointed by us pursuant to engagement letter dated August 1, 2024, and exclusively commissioned and paid for *by us in connection with the Offer. Unless otherwise indicated, all industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year. CARE was appointed by our Company and is not connected to our Company, our Directors, and our Promoters. A copy of the CARE Report is available on the website of our Company at https://allchemlifescience.com/ipo-offer-documents.php.*

This section is a general summary of the terms of the Offer and of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including '*Risk Factors*', '*Industry Overview*', '*Our Business*', '*Capital Structure*', '*The Offer* and '*Outstanding Litigation and Material Developments*' on pages 27, 130, 196, 81, 65 and 399, respectively.

Summary of business

Our Company is an Indian manufacturer of active pharmaceutical ingredients (**API**) intermediates and speciality chemicals. We specialise in the production of key starting materials (KSMs), generic API intermediates and specialty chemicals. Our Company's primary business verticals can be classified as (i) Manufacturing API intermediate; and (ii) Speciality or fine chemicals. Over the years we have developed the ability to manufacture 263 products which demonstrates our strong focus on different chemistries in organic chemical compounds. We cater to prominent domestic and international customers.

Summary of industry

According to the CARE Report, the global API Intermediates market stood at ~$26 billion in CY2019 to reaching $31.3 billion in CY2023, growing at a CAGR of 5% over the period. Going further, from CY2024 to CY2029 the API intermediates market is projected to expand at a CAGR of 7%, driven by key factors such as the rising prevalence of chronic diseases, an increasing ageing population, and the robust growth of pharmaceutical manufacturing. The growing demand for active pharmaceutical ingredients (APIs) is a significant driving force behind the API intermediates market. Pharmaceutical companies are increasingly outsourcing the production of intermediates to contract manufacturing organizations (CMOs) in cost-effective regions like India and China.

Name of Promoters

Bipin Patel, Kantilal Ramanlal Patel, Manisha Bipin Patel and Aditi Patel are the Promoters of our Company. For details, see '*Our Promoter and Promoter Group*' on page 255.

Offer size

Offer(1)	Up to [●] Equity Shares of face value of ₹ 10 each, aggregating up to ₹ [●] million
which includes:	
(i) Fresh Issue(1)	Up to [●] Equity Shares of face value of ₹ 10 each, aggregating up to ₹ 1,900 million
(ii) Offer for Sale(2)	Up to 7,155,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million

(1) *The Offer has been authorised by our Board pursuant to the resolution passed at its meeting dated March 5, 2025 and the Fresh Issue has been authorised by our Shareholders pursuant to a special resolution passed at their meeting dated March 6, 2025. Further, our Board has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholders pursuant to the resolution passed at its meeting dated March 5, 2025.*

(2) *Each Selling Shareholder severally and not jointly confirm that the Equity Shares being offered by the Promoter Selling Shareholders are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8 of the SEBI ICDR Regulations"). Each Selling Shareholder has, severally and not jointly, consented for the sale of their respective portion of the Offered Shares in the Offer for Sale. For further details of the authorizations received for the Offer, see 'Other Regulatory and Statutory Disclosures' on page* 410.

Objects of the Offer

The Net Proceeds are proposed to be used in accordance with the details provided in the below table:

(in ₹ million)

Particulars	Total Estimated Cost
Repayment and/ or pre-payment, in full or part, of certain borrowings availed by the Company	1,300.00
General corporate purposes(1)	[●]
Net Proceeds(1)(2)	[●]

(1) *To be finalised upon determination of Offer Price and updated in the Prospectus. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds from the Fresh Issue.*

(2) *In the event that the estimated utilisation of the Net Proceeds in a scheduled Fiscal year is not completely met, the same shall be utilised in the next Fiscal year, as may be determined by our Board, in accordance with applicable laws.*

Aggregate pre-Offer shareholding of our Promoters, Promoter Group and the Selling Shareholders as a percentage of the paid-up Equity Share capital of our Company

Sr. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of total pre-Offer paid up equity share capital (%)
Promoters			
1.	Bipin Patel	53,578,170	70.00
2.	Kantilal Ramanlal Patel*	11,471,580	14.99
3.	Manisha Bipin Patel*	11,463,030	14.98
4.	Aditi Patel	9,000	0.01
	Sub-Total (A)	**76,521,780**	**99.98**
Promoter Group			
1.	Manguben K Patel	9,000	0.01
2.	Dhruvil Patel	9,000	0.01
	Sub-Total (B)	**18,000**	**0.02**
Total (A+B)		**76,539,780**	**100.00**

* *Also, Selling Shareholders*

Shareholding of Promoter, Promoter Group and Additional top 10 Shareholders of our Company

Set out below is the shareholding of our Promoter, Promoter Group and Additional top 10 Shareholders as of the date of allotment

Sr. No.	Pre-Offer shareholding as at the date of Advertisement			Post Offer shareholding at Allotment(3)			
	Shareholders	Number of equity Shares (2)	Shareholding (in %)(2)	At the lower end of the price band (₹ [●])		At the upper end of the price band (₹ [●])	
				Number of Equity Shares (2)	Shareholding (in %) (2)	Number of Equity Shares (2)	Shareholding (in %) (2)
1.	Bipin Patel	53,578,170	70.00	[●]	[●]	[●]	[●]
	Kantilal Ramanlal Patel	11,471,580	14.99	[●]	[●]	[●]	[●]
	Manisha Bipin Patel	11,463,030	14.98	[●]	[●]	[●]	[●]
	Aditi Patel	9,000	0.01	[●]	[●]	[●]	[●]
	Promoter Group (1)	18,000	0.02	[●]	[●]	[●]	[●]
2.	Sachin K Mistry	450	Negligible	[●]	[●]	[●]	[●]

(1) *The Promoter Group shareholders are Manguben K Patel and Dhruvil Patel.*

(2) *Includes all options, if any, that have been exercised until date of Prospectus and any transfers of Equity Shares by existing Shareholders after the date of the pre-Offer and Price Band advertisement until the date of the Prospectus.*

(3) *Based on the Offer price of ₹ [●] and subject to finalisation of the basis of allotment.*

For further details, please refer to the section titled *'Capital Structure'* on page 81.

Summary of the Restated Financial Statements

A summary of the select financial information of our Company, as per the Restated Financial Statements as follows:

(in ₹ million, except otherwise stated)

Particulars	6 months period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Equity Share capital	42.52	42.52	42.52	35.00
Net worth*	907.43	798.90	564.93	385.76
Revenue from operations	784.48	1,374.21	1,057.19	1,081.01
Profit/ (loss) after tax for the period/ year	108.91	234.09	179.89	141.39
Earnings / (Loss) per equity share				
- Basic (in ₹)	1.42	3.06	2.36	2.24
- Diluted (in ₹)	1.42	3.06	2.36	2.24
Net asset value per Equity Share**	11.86	10.44	7.38	6.12
Total Borrowings	1,068.96	1,049.66	971.70	495.33

* *Net Worth means the aggregate value of the paid-up share capital of our Company and all reserves created out of profits and securities premium account, as per the restated statement of assets and liabilities of our Company in the Restated Financial Statements.*

** *Net Asset Value = Net worth (sum of equity share capital, other equity and non-controlling interest) divided by the closing outstanding number of equity shares at the end of the year (adjusted for allotment of Equity Shares through bonus shares issue on February 28, 2025).*

For further details, please refer to the section titled '*Restated Financial Statements*' beginning on page 261.

Qualifications of the Statutory Auditors which have not been given effect to in the Restated Financial Statements

There are no qualifications included by our Statutory Auditors in the financial statements which have not been given effect to in the Restated Financial Statements.

Summary of Outstanding Litigation and Material Developments

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/ Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter	Material civil litigation*	Aggregate amount involved (₹ in million)*
1.	**Company**						
	By our Company	Nil	Nil	Nil	Nil	Nil	Nil
	Against our Company	Nil	1	Nil	Nil	Nil	10.11
2.	**Promoters**						
	By our Promoter	Nil	Nil	Nil	Nil	Nil	Nil
	Against our Promoter	Nil	Nil	Nil	Nil	Nil	Nil
3.	**Directors (other than Promoters)**						
	By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
	Against our Directors	Nil	Nil	Nil	Nil	Nil	Nil

* *To the extent quantifiable.*

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigation proceedings involving our Group Company, the outcome of which could have a material impact on our Company. Further, as on the date of this Draft Red Herring Prospectus, there are no criminal proceedings involving any of our Key Managerial Personnel and members of Senior Management or actions by regulatory authorities and statutory authorities against any of our Key Managerial Personnel and members of Senior Management.

For further details of the outstanding litigation proceedings, see '*Outstanding Litigation and Material Developments'* beginning on page 399.

Risk factors

Specific attention of Investors is invited to '*Risk Factors*' on page 27. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer.

Summary of contingent liabilities and capital commitments of our Company

The details of the contingent liabilities and capital commitment of our Company as on September 30, 2024, derived from the Restated Financial Statements are set forth below:

Particulars	September 30, 2024 (in ₹ million)
In respect of Sales Tax/VAT/GST	10.11
In respect of Others(HR related matter)	0.45
Total	**10.56**
Capital Commitments	
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	166.76

For further details, see '*Restated Financial Statements – Note 41 – Contingent Liabilities and Commitments'* on page 312.

Summary of Related Party Transactions

Set out below are the details of our related party transactions from our Restated Financial Statements as at 6 month ended September 30, 2024 and Fiscal 2024, Fiscal 2023, and Fiscal 2022:

(₹ in million)

Name of Related Party		Nature of Transaction	Six months period ended September 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
(a)	**Transactions with Key Managerial Personnel Relatives of Key Managerial person and Directors*:**					
(i)	Bipin Patel	Remuneration	7.50	15.00	15.00	12.60
		Rent Expense	0.14	0.24	0.22	0.43
		Commission	-	-	-	21.97
		Loan Taken	3.50	30.00	5.80	5.20
		Loan Repaid	2.33	0.20	4.20	25.66
		Interest Expense	2.07	1.62	0.92	2.45
(ii)	Kantilal Ramanlal Patel	Remuneration	2.40	4.80	4.80	4.80
		Rent Expense	0.30	0.70	0.50	0.20
		Loan Taken	2.50	8.90	1.50	4.80
		Loan Repaid	1.58	-	-	10.26
		Interest Expense	1.49	1.94	1.64	2.08
(iii)	Manisha Bipin Patel	Interest Expense	0.86	1.28	1.19	1.76
		Loan Taken	-	3.90	-	0.40
		Loan Repaid	0.86	-	-	10.20
(iv)	Manguben K Patel	Interest Expense	0.65	1.21	1.12	1.09

(₹ *in million)*

Name of Related Party		Nature of Transaction	Six months period ended September 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
		Loan Taken	-	-	-	0.20
		Loan Repaid	0.60	-	-	2.50
(v)	Aditi Patel	Interest Expense	0.52	0.99	0.95	0.80
		Loan Taken	-	-	-	2.95
		Loan Repaid	0.53	0.28	0.34	-
(vi)	Dhruvil Patel	Interest Expense	0.29	0.54	0.52	0.33
		Loan Taken	-	-	-	5.45
		Loan Repaid	0.52	0.17	0.17	-
(b)	**Transactions with enterprises under control or enterprises over which Key Managerial Personnel have significant influence:**					
(i)	Novan Trade Chem Private Limited	Labour Contractor	-	-	0.96	9.93

* *Consideration of benefits payable to Key Managerial Personnel are in respect of Company*

For further details, see '*Restated Financial Statements – Note 42 – Related Party Disclosures'* on page 314.

Financing Arrangements

There have been no financing arrangements whereby our Promoters, members of our Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company, other than in the normal course of business of the relevant financing entity, during a period of 6 months immediately preceding the date of this Draft Red Herring Prospectus.

Average Cost of Acquisition for our Promoters and Selling Shareholders

The average cost of acquisition per Equity Share for our Promoters who are also the Selling Shareholders is:

Sr. No	Name of the Promoters	No. of Equity Shares held	Average cost of acquisition per Equity Share (in ₹)*
1.	Bipin Patel	53,578,170	1.12
2.	Kantilal Ramanlal Patel**	11,471,580	1.12
3.	Manisha Bipin Patel**	11,463,030	1.12
4.	Aditi Patel	9,000	Nil

* *As certified by M/s Talati & Talati LLP, Statutory Auditors, pursuant to a certificate dated March 13, 2025.*

** *Also, Selling Shareholders*

Weighted average price at which the Equity Shares were acquired by our Promoters and each of the Selling Shareholders in the 1 year preceding the date of this Draft Red Herring Prospectus

Sr. No	Name of the Promoters	Number of Equity Shares acquired in the last 1 year	Weighted Average Price at which the Equity Shares were acquired in the last 1 year (in ₹)*
1.	Bipin Patel	50,601,605	Nil
2.	Kantilal Ramanlal Patel**	10,834,270	Nil
3.	Manisha Bipin Patel**	10,826,195	Nil
4.	Aditi Patel	9,000	Nil

* *As certified by M/s Talati & Talati LLP, Statutory Auditors, pursuant to a certificate dated March 13, 2025.*

** *Also, Selling Shareholders*

Details of price at which Equity Shares were acquired by our Promoters, the members of our Promoter Group, Selling Shareholders and Shareholders with right to nominate Directors or other rights in the last 3 years preceding the date of this Draft Red Herring Prospectus

Save and except for below, our Promoters, the members of our Promoter Group, and the Promoter Selling Shareholders have not acquired any specified securities in the last 3 years preceding the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Date of Acquisition	Number of Equity Shares Acquired	Face Value (in ₹)	Acquisition price per Equity Share*
Promoters					
1.	Bipin Patel	April 11, 2022	5,26,565	10	67.00
		February 28, 2025	50,601,605	10	Nil
2.	Kantilal Ramanlal Patel**	April 11, 2022	1,12,835	10	67.00
		February 28, 2025	10,834,270	10	Nil
3.	Manisha Bipin Patel**	April 11, 2022	1,12,835	10	67.00
		February 28, 2025	10,826,195	10	Nil
4.	Aditi Patel	August 5, 2024	500	10	Nil
		February 28, 2025	8,500	10	Nil
Promoter Group					
5.	Manguben K Patel	August 5, 2024	500	10	Nil
		February 28, 2025	8,500	10	Nil
6.	Dhruvil Patel	August 5, 2024	500	10	Nil
		February 28, 2025	8,500	10	Nil
Other Shareholders with special rights – Nil					

**As certified by M/s Talati & Talati LLP, Statutory Auditors, pursuant to a certificate dated March 13, 2025.*

*** Also, Selling Shareholders*

Special Rights of Shareholders

As on the date of this Draft Red Herring Prospectus, there are no Shareholders in our Company who are entitled to have any other special rights including the right to nominate Director(s) on our Company's Board.

For further details, see '*Capital Structure*' on page 81.

Weighted average cost of acquisition of all Equity Shares transacted in the 3 years, 18 months and 1 year preceding the date of this Draft Red Herring Prospectus

Period	Weighted Average Cost of Acquisition (in ₹)*	Cap Price is 'X' times the Weighted Average Cost of Acquisition^	Range of acquisition price: Lowest price – highest price (in ₹)*
Last 3 years	0.69	[●]	Nil-204.00
Last 18 months	0.00	[●]	Nil-204.00
Last 1 year	0.00	[●]	Nil-204.00

** As certified by M/s Talati & Talati LLP, Statutory Auditors, pursuant to a certificate dated March 13, 2025.*

^ To be updated in the Prospectus

Details of pre-IPO Placement

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus until the listing of the Equity Shares.

Issue of Equity Shares for consideration other than cash in the last 1 year

Except as set forth below, we have not issued Equity Shares for consideration other than cash or by way of bonus issue or out of revaluation of reserves:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason for allotment	Benefits if any, that have accrued to our Company
February 28, 2025	72,287,995.00	10	0	NA	17 Bonus Equity Shares of face value of ₹ 10 each against 1 existing Equity Share of face value of ₹ 10 each held by the shareholders	Nil

Split / Consolidation of Equity Shares of our Company in the last 1 year

Our Company has not split / consolidated its Equity Shares in the last 1 year preceding the date of this Draft Red Herring Prospectus. For further details, see '*Capital Structure*' on page 81.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not applied to SEBI for any exemption from complying with any provisions of the securities laws since its incorporation.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references to 'India' contained in this Draft Red Herring Prospectus are to the Republic of India. All references to the 'Government', 'Indian Government', 'GoI', 'Central Government' are to the Government of India and all references to the 'State Government' are to the government of the relevant state. All references to 'US', 'USA' or 'United States' are to the United States of America, together with its territories and possessions.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Time

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Financial Data

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references to a particular Fiscal or Financial Year, unless stated otherwise, are to the 12 month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Red Herring Prospectus is derived from the Restated Financial Statements. The Restated Financial Statements comprises the restated statement of assets and liabilities as at 6 month ended September 30, 2024, and financial year ended March 31, 2024, March 31, 2023 and March 31, 2022, the restated statement of profit and loss (including other comprehensive income), the restated statement of changes in equity and the restated statement of cash flows for the 6 months ended September 30, 2024, and for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022, the notes to restated financial statements and the significant accounting policies and other explanatory information annexed thereto. The Restated Financial Statements, as approved by our Board on March 3, 2025, have been prepared by our Company in accordance with the requirements of Section 26 of Part 1 of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time. For further information, see '*Financial Information*' on page 261.

Non-GAAP Measures

Unless stated, or, the context requires, otherwise all financial information and financial ratios in this Draft Red Herring Prospectus is derived from our Restated Financial Statements.

Certain measures included and presented in this Draft Red Herring Prospectus, for instance EBITDA, EBITDA Margin, Interest Coverage Ratio, and Return on Equity (**Non-GAAP Measures**), are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, IFRS or U.S. GAAP. Furthermore, these Non-GAAP Measures, are not a measurement of our financial performance or liquidity under Indian GAAP, IFRS or U.S. GAAP and should not be considered as an alternative to net profit/loss, revenue from operations or any other performance measures derived in accordance with Ind AS, IFRS or U.S. GAAP or as an alternative to cash flow from operations or as a measure of our liquidity. In addition, Non-GAAP Measures used are not a standardised term, hence a direct comparison of Non-GAAP Measures between companies may not be possible. Other companies may calculate Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Please see '*Risk Factor - Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, CAGR of EBITDA, EBITDA margin, return on capital employed, profit after tax margin, debtors' turnover ratio, inventory turnover ratio, debt service coverage ratio and interest coverage ratio have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.*' on page 54.

There are significant differences between Ind AS, U.S. GAAP and IFRS. Please see '*Risk Factor – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the Restated Financial Statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Red Herring Prospectus'* on page 60. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should, accordingly, be limited.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. Except as stated otherwise, all figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Currency and Units of Presentation

In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to (a) 'Rupees' or '₹' or 'Rs.' or 'INR' are to Indian Rupees, the official currency of the Republic of India; (b) 'US Dollars' or 'US$' or 'USD' or '$' are to United States Dollars, the official currency of the United States of America.

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in 'million' units, or in absolute number where the number have been too small to present in million unless as stated, otherwise, as applicable. 1 million represents '10 lakhs' or 1,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than million, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

Any percentage amounts, as set forth in *'Risk Factors', 'Our Business', 'Management's Discussion and Analysis of Financial Conditions and Results of Operations'* on pages 27, 196, and 360, respectively and elsewhere in this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated based on our Restated Financial Statements.

Exchange Rates

This Draft Red Herring Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupees, Euro and USD:

(In ₹)

Currency	Exchange rate as on			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
1 USD	83.79	83.37	82.22	75.81
1 Euro	93.53	90.22	89.61	84.66

Source: www.fbil.org.in

* *Note: If the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed.*

The reference rates are rounded off to two decimal places.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from publicly available information as well as a report titled '*Research Report on API Intermediates Industry*' dated March, 2025, prepared and issued by CARE Analytics and Advisory Private Limited, appointed by us pursuant to an engagement letter dated August 1, 2024, and exclusively commissioned and paid for by us in connection with the Offer. A copy of the CARE Report is available on the website of our Company at https://allchemlifescience.com/ipo-offer-documents.php. CARE was appointed by our Company and is not connected to our Company, the Promoter Selling Shareholders, our Directors, KMPs, members of Senior Management, and our Promoters or the BRLM. For risks in relation to commissioned reports, see '*Risk Factor - This Draft Red Herring Prospectus contains information from an industry report prepared by CARE which we have commissioned and paid for*' on page 54.

Except for the CARE Report, we have not commissioned any report for purposes of this Draft Red Herring Prospectus and any market and industry related data, other than that derived from the CARE Report, used in this Draft Red Herring Prospectus has been obtained or derived from publicly available documents and other industry sources.

Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured and accordingly, investment decisions should not be based on such information. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the '*Risk Factors'* on page 27. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.

Further, the extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. In addition, certain data in relation to our Company used in this Draft Red Herring Prospectus has been obtained or derived from the CARE Report which may differ in certain respects from our Restated Financial Statements as a result of, *inter alia*, the methodologies used in compiling such data. Accordingly, investment decision should not be made based on such information.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements" which are not historical facts. All statements regarding our expected financial condition and results of operations, business, plans and prospects are "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "can", "could", "expect", "estimate", "intend", "may", "likely", "objective", "plan", "propose", "project", "seek to", "will", "will continue", "will pursue" or other words or phrases of similar import but are not the exclusive means of identifying such statements. Similarly, statements that describe our strategies, objectives, plans, goals, future events, future financial performance, or financial needs are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations, and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

These forward-looking statements, whether made by us or a third-party, are based on our current plans, estimates, presumptions and expectations and actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, *inter alia*, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- *Our business is significantly dependent on demand from our application industries, in particular pharmaceutical industry. We derived 96.64%, 90.85%, 93.86% and 90.48% of our revenue from operations during the 6 months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively, from the pharmaceutical industry. Any downturn in the application industries could have an adverse impact on our Company's business and results of operations*;

- *Our business is significantly reliant on certain key customers, and we derived 59.37%, 54.09%, 50.31% and 62.44% of our revenue from operations during the 6 months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively, from our top 10 customers. Further, we do not enter into any long term contracts with our customers. Loss of any of these customers or loss of revenue from sales to any key customers could have a material adverse effect on our business, financial condition, results of operations and cash flows;*

- *Our source of revenue is concentrated to certain geographical locations. Further, our revenue from operations is also concentrated to certain regions in India. Our inability to operate and grow our business in such locations may have an adverse effect on our business, financial condition, result of operation, cash flow and future business prospects;*

- *We are significantly reliant on a few vendors, and we do not enter into long-term contracts or arrangements with our vendors. Any loss of vendors will have a material adverse impact on our business and our revenue. Further, if we are unable to procure raw materials of the required quality and quantity, at competitive prices, our business, results of operations and financial condition may be adversely affected; and*

- *Revenue from manufacturing API intermediates constitutes a significant majority of our revenue from operations and failure to maintain and augment our revenue therefrom could materially adversely affect our business and financial condition.*

For further discussion on factors that could cause actual results to differ from expectations, see '*Risk Factors*', '*Our Business*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' on pages 27, 196 and 360 respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

We cannot assure you that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, the Promoter Selling Shareholders, our Directors, the BRLM nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company, the Promoter Selling Shareholders and the BRLM will ensure that the investors in India are informed of material developments pertaining to our Company and the Offered Shares from the date of this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer.

In accordance with regulatory requirements including requirements of the SEBI and as prescribed under applicable law, the Promoter Selling Shareholders, shall ensure that our Company and Book Running Lead Manager are informed of material developments, in relation to statements and undertakings specifically undertaken or confirmed by them in relation to themselves as the Promoter Selling Shareholders and the Offered Shares in the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. Only statements and undertakings which are specifically made or confirmed by such Promoter Selling Shareholders to the extent of information specifically pertaining to them as Promoter Selling Shareholders and their portion of the Equity Shares offered in the Offer in the Red Herring Prospectus shall be deemed to be statements and undertakings made by such Promoter Selling Shareholder.

SECTION II: RISK FACTORS

An investment in equity shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described in this section are not the only ones relevant to us or the Equity Shares but also includes the industry and segments in which we currently operate. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business, results of operations, financial condition and cash flows. If any of the following risks, or a combination of risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations, financial condition and cash flows could be adversely affected, the trading price of the Equity Shares could decline, and you may lose all or part of your investment.

To obtain a complete understanding of us, prospective investors should read this section in conjunction with 'Industry Overview', Our Business', 'Financial Indebtedness' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 130, 196, 357 and 360, respectively, as well as the financial, statistical and other information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For details, see 'Forward-Looking Statements' on page 25. Further, names of certain customers and certain vendors forming part of the top 10 customers and vendors during 6 months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 have not been included in this Draft Red Herring Prospectus because relevant consents were not granted by the relevant entity for including their name in this Draft Red Herring Prospectus.

Unless stated or, the context requires, otherwise, our financial information has been derived from the Restated Financial Statements included in this Draft Red Herring Prospectus. Unless otherwise indicated, industry and market data used in this section has been derived from the report titled 'Research Report on API Intermediates Industry' dated March 10, 2025 prepared by CARE which has been commissioned and paid for by our Company in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. CARE was appointed by our Company and is not connected to our Company, our Directors, our Promoters, our Key Managerial Personnel, Senior Management or the BRLM. A copy of the CARE Report is available on the website of our Company at https://allchemlifescience.com/ipo-offer-documents.php. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section.

Internal Risk Factors

1. ***Our business is significantly dependent on demand from our application industries, in particular pharmaceutical industry. We derived 96.64%, 90.85%, 93.86% and 90.48% of our revenue from operations during the 6 months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively, from the pharmaceutical industry. Any downturn in the application industries could have an adverse impact on our Company's business and results of operations.***

   We cater to customers across a diverse set of application industries such as pharmaceutical, agrochemicals, and electrochemical (**Application Industries**). Set out in the table below are details of our revenue from our Application Industries for 6 months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Application Industry	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations (*in ₹ million*)	**% of revenue from operations**	**Revenue from operations** (*in ₹ million*)	**% of revenue from operations**	**Revenue from operations** (*in ₹ million*)	**% of revenue from operations**	**Revenue from operations** (*in ₹ million*)	**% of revenue from operations**
Pharmaceutical	755.25	96.64	1,241.13	90.85	985.49	93.86	968.91	90.48
Agrochemicals	9.07	1.16	33.41	2.45	27.76	2.64	39.29	3.67
Electrochemical	14.66	1.88	68.91	5.04	33.58	3.20	43.53	4.07
Others*	2.52	0.32	22.71	1.66	3.11	0.30	19.15	1.79
Total	**781.51**	**100.00**	**1,366.16**	**100.00**	**1,049.95**	**100.00**	**1,070.88**	**100.00**

**Others include chemicals and healthcare.*

Our revenue from operations is directly linked to the performance of the Application Industries, and in particular, pharmaceutical industry, that we cater to. The performance of the companies in these Application Industries could be affected by a number of macro and micro economic conditions, and other factors including government policies and the prevailing regulatory environment. According to the CARE Report, the global pharmaceutical industry faces challenges such as (i) regulatory and compliance pressures - dealing with intricate regulatory systems in various countries, causing delays in drug approvals and higher expenses. Adherence to proper manufacturing practices and changing safety and efficacy regulations create additional stress. Furthermore, in numerous nations, governments and healthcare systems implement price controls and bargain on drug prices, which reduces profit margins for pharmaceutical companies; (ii) research and development cost and innovation pressure - the process of developing drugs is costly and lengthy, with numerous potential treatments proving unsuccessful during clinical trials. There is increasing demand for the creation of improved medications, especially for medical issues that are not currently being addressed and uncommon diseases. The increasing popularity of personalized medicine and advanced biologics requires substantial funding for innovative technologies; (iii) supply chain vulnerability - The fragility of global pharmaceutical supply chains was underscored by the covid-19 pandemic, as factors such as geopolitical tensions, natural disasters, and logistical bottlenecks can cause disruptions in production, resulting in shortages; and (iv) Intellectual property and patent expirations - numerous medications are approaching the end of their patents, resulting in heightened rivalry from generic and biosimilar versions. This decrease in income for big corporations forces them to innovate and create new products. Safeguarding intellectual property in various markets, especially in developing countries, continues to be difficult because of inconsistent enforcement of intellectual property regulations and the increase in counterfeit medications. Any downturn in one or more of these Application Industries, particularly in the pharmaceutical industry, could have a direct adverse impact on our results of operations and financial condition.

2. ***Our business is significantly reliant on certain key customers, and we derived 59.37%, 54.09%, 50.31% and 62.44% of our revenue from operations during the 6 months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively, from our top 10 customers. Further, we do not enter into any long term contracts with our customers. Loss of any of these customers or loss of revenue from sales to any key customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.***

We are a manufacturer of active pharmaceutical ingredients (**API**) intermediates and speciality chemicals. We specialise in the production of key starting materials (KSMs), generic API intermediates and specialty chemicals. While our customers may vary annually, we are significantly reliant on certain key customers. Consequently, our business and financial condition in any given financial year is significantly reliant on our top 10 customers. Our revenue from operations from our top 3, 5 and 10 customers during the 6 months ended September 30, 2024, and in Fiscal 2024, Fiscal 2023, and Fiscal 2022 is set out below:

(in ₹ million)

Particulars	For the 6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (*in ₹ million*)	**As a % of revenue from operations**	**Revenue** (*in ₹ million*)	**As a % of revenue from operations**	**Revenue** (*in ₹ million*)	**As a % of revenue from operations**	**Revenue** (*in ₹ million*)	**As a % of revenue from operations**
Top 3 customers	266.94	34.03	373.46	27.18	285.68	27.02	348.34	32.22

Particulars	For the 6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (*in* ₹ *million*)	**As a % of revenue from operations**	**Revenue (*in* ₹ *million*)**	**As a % of revenue from operations**	**Revenue (*in* ₹ *million*)**	**As a % of revenue from operations**	**Revenue (*in* ₹ *million*)**	**As a % of revenue from operations**
Top 5 customers	336.47	42.89	518.42	37.73	373.27	35.31	479.29	44.34
Top 10 customers*	465.72	59.37	743.36	54.09	531.85	50.31	674.95	62.44

**Our top 10 customers (in alphabetical order based on consents received) include Alembic Pharmaceuticals Limited, Cohance Lifesciences Limited, Hattori Corporation, Huaian Jiamu Biotechnology Co., Limited, Medichem S.A., Megafine Pharma Private Limited, MOEHS Cantabra, S.L., Neuland Laboratories Limited, Unichem Laboratories Ltd. The names of the other customers forming part of the top 10 customers have not been included as we have not received consent from such customers to include their name in this Draft Red Herring Prospectus.*

In each of the 6 months period ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022 we have catered to 159, 214, 188 and 180 customers, respectively. Further, our top 3, top 5 and top 10 customers during the 6 months period ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022 have been with the Company for the durations set out below:

Particulars	Customers	Minimum Period (in years)	Maximum Period (in years)*
6 months period ended September 30, 2024	Top 3 Customer	9	13
	Top 5 Customer	3	13
	Top 10 Customer	3	14
Fiscal 2024	Top 3 Customer	8	11
	Top 5 Customer	4	13
	Top 10 Customer	4	15
Fiscal 2023	Top 3 Customer	9	13
	Top 5 Customer	9	15
	Top 10 Customer	3	15
Fiscal 2022	Top 3 Customer	8	12
	Top 5 Customer	8	15
	Top 10 Customer	4	15

**Includes association with Allchem Laboratories, a proprietorship firm, wherein one of our promoters, Bipin Patel, was the sole proprietor, and whose existing business was acquired by our Company in 2017.*

Set out in the table below is our customer retention rate:

Particulars	For the 6 months period September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total no. of customers	159	214	188	180
No. of customers retained from the preceding financial period	114	114	121	96
% of customers retained from the preceding financial period	71.70	53.27	64.36	53.33

We do not enter into any long term agreements with our customers and instead rely on purchase orders to meet their product requirements. Our business, results from operations, and financial condition are dependent on maintaining relationship with our customers, and failure or inability to retain all or any of our top 10 customers, for any reason (including, due to failure to negotiate acceptable terms, adverse change in the financial condition of such customers for various factors such as possible bankruptcy or liquidation or other financial hardship, merger or decline in sales from such customers, reduced or delayed customer requirements, facility shutdowns, labour strikes, geopolitical reasons and, or, other work stoppages affecting production by such customers) could have a material adverse impact on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to retain the business of our existing key customers or maintain the current level of business with each of our customers. Consequently, our business, results from operations, and financial condition are heavily dependent on our maintaining our relationship with our customers. Failure to receive orders from our customers or our inability to do so on commercially viable terms could have an adverse impact on our revenue and, or margin and consequently our profitability. While during the last 3 Fiscals and 6 months ended September 30, 2024, we have not lost any of our top 10 customers, there can also be no assurance that we will not lose all or a portion of sales to these customers or will be able to offset any reduction of prices to these customers with reductions in our costs or by obtaining new customers which could adversely affect our business, financial condition and results of operations. If we are unable to retain our key customers, our business and financial condition could be materially adversely affected.

3. ***Our source of revenue is concentrated to certain geographical locations. Further, our revenue from operations is also concentrated to certain regions in India. Our inability to operate and grow our business in such locations may have an adverse effect on our business, financial condition, result of operation, cash flow and future business prospects.***

We cater to overseas customers in Europe, China, Japan and other countries. As of December 31, 2024 we have exported our products to 22 countries overseas. The table below sets out our revenues from exports in the 6 months period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	**For the 6 months period September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue *(in ₹ million)*	**As a % of revenue from operations**	**Revenue *(in ₹ million)***	**As a % of revenue from operations**	**Revenue *(in ₹ million)***	**As a % of revenue from operations**	**Revenu e *(in ₹ million)***	**As a % of revenue from operations**
Europe*	81.51	10.39	337.56	24.56	191.05	18.07	361.78	33.47
China	49.88	6.36	49.71	3.62	72.67	6.87	54.35	5.03
Japan	18.15	2.31	98.69	7.18	75.24	7.12	58.46	5.41
Rest of the world**	14.63	1.86	59.39	4.32	83.83	7.93	45.86	4.24
Total	**164.17**	**20.93**	**545.35**	**39.68**	**422.79**	**39.99**	**520.45**	**48.14**

***** *includes Spain, Finland, Poland, France, Germany, The United Kingdom, Portugal, Belgium and Italy.*
*** includes the United States of America, Singapore, Hungary, South Korea, and South Africa.*

Loss of all or a substantial portion of revenue from these geographies, for any reason (including due to any recession or economic downturn or material adverse social, political or economic development, civil disruptions, or changes in policies of the state government or local government in these countries) could have an adverse effect on our business results of operations, financial conditions, cash flows and future business prospects in these countries. Further, the depreciation of the Indian Rupee against the U.S. Dollar and other foreign currencies may affect our results of operations by increasing the cost of operating expenses and financing any debt denominated in foreign currency that we may enter into. Any adverse fluctuations of the Indian Rupee vis-à-vis foreign currency to which we have an exposure cannot be accurately predicted and our attempts to mitigate the adverse effects of exchange rate fluctuations may not be successful, which may adversely affect our business, results of operations and financial condition.

We are also significantly dependent on our customers located in West India and to some extent in the South India. The table below sets out our revenues from domestic sales in the 6 months period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	For the 6 months period September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue *(in ₹ million)*	As a % of revenue from operations	Revenue *(in ₹ million)*	As a % of revenue from operations	Revenue *(in ₹ million)*	As a % of revenue from operations	Revenue *(in ₹ million)*	As a % of revenue from operations
West	484.44	61.57	607.61	44.22	441.19	41.73	387.55	35.85
South	128.07	16.33	204.97	14.92	171.05	16.18	149.69	13.85
North	4.05	0.52	6.26	0.46	13.66	1.29	9.05	0.84
East	0.79	0.10	1.96	0.14	1.25	0.12	4.14	0.38
Total	**617.34**	**78.70**	**820.81**	**59.73**	**627.15**	**59.32**	**550.44**	**50.92**

Due to a significant concentration of our revenues in West India and South India, we are highly impacted by risks specific to these geographies, such as civil unrest as well as other adverse social, economic and political events in these regions, natural disasters, regional conflicts, and other unforeseen events and circumstances. If any of these risks materialise or if there is a significant downturn in these states, our results of operations and future profitability could be adversely impacted.

4. ***We are significantly reliant on a few vendors, and we do not enter into long-term contracts or arrangements with our vendors. Any loss of vendors will have a material adverse impact on our business and our revenue. Further, if we are unable to procure raw materials of the required quality and quantity, at competitive prices, our business, results of operations and financial condition may be adversely affected.***

We do not enter into any long-term contracts or arrangements with our vendors and instead place purchase orders with our vendors to source our key raw materials such as Piperazine Anhydrous, Benzyl acetone, 2-(2-Chloroethoxy)ethanol, 2-Chloroethylamine hydrochloride, 70% aqu. Soln, 4-Chlorobutyryl Chloride, Phosphorus oxychloride, Bis(2-Chloroethylamine)hydrochloric acid, 2-Diisopropylaminoethyl chloride Hydrochloride, (3,4-Dimethoxy phenyl)Acetonitrile, 1-Bromo-3-Chloropropane, 2,3-Dichloroaniline, 2,5-Dichloronitrobenzene. Set out below is our cost of raw materials consumed in the 6 months period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

(*in ₹ million*)

Particulars	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	As a % of total expense	Amount (in ₹ million)	As a % of total expense	Amount (in ₹ million)	As a % of total expense	Amount (in ₹ million)	As a % of total expense
Cost of materials consumed	457.74	73.23	742.71	70.22	633.80	79.72	684.12	76.89

We are significantly reliant on a few key vendors for our raw materials and during the 6 months ended September 30, 2024 and in Fiscals 2024, 2023 and 2022 we sourced our raw materials from 113, 139, 138 and 151 vendors, respectively. Set out below is our cost of raw materials consumed from our top 3 vendors, top 5 vendors and top 10 vendors in the 6 months period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

(in ₹ million)

Particulars	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	As a % of cost of materials consumed	Amount (in ₹ million)	As a % of cost of materials consumed	Amount (in ₹ million)	As a % of cost of materials consumed	Amount (in ₹ million)	As a % of cost of materials consumed
Top 3 vendors	96.51	21.08	180.91	24.36	146.08	23.05	119.15	17.42
Top 5 vendors	145.25	31.73	255.27	34.37	202.19	31.90	181.88	26.59

Particulars	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	As a % of cost of materials consumed	Amount (in ₹ million)	As a % of cost of materials consumed	Amount (in ₹ million)	As a % of cost of materials consumed	Amount (in ₹ million)	As a % of cost of materials consumed
Top 10 vendors	228.53	49.93	373.84	50.33	313.61	49.48	287.35	42.00

**Our top 10 vendors (in alphabetical order based on consents received) include Ankita Chemical Corporation, Aether Industries Limited, Best Value Chem Pvt Ltd, Credence Chem Pvt. Ltd., Diamines and Chemicals Ltd., Jay Chem Marketing, Oswal Chemicals, PAB Organics Pvt. Ltd., Shree Ganesh Chemicals, Transpek Industry Ltd, Valeshvar Bio-Tech and Viswaat Chemicals Ltd. The names of the other vendors forming part of the top 10 vendors have not been included as we have not received consent from such vendors to include their name in this Draft Red Herring Prospectus.*

Any disruption of supply of raw materials, in particular, from such vendors could adversely impact our business, results of operations and financial condition, if we are unable to replace such vendor(s) in a timely manner. Although there have not been any instances in the last 3 financial years and during the 6 months period ended September 30, 2024, where we have faced a shortage of raw materials, we cannot assure you that we will always be able to meet our raw material requirements at prices acceptable to us, or at all, or that we will be able to pass on any increase in the cost of raw materials to our customers. Any inability on our part to procure sufficient quantities of raw materials, on commercially acceptable terms, may lead to a decline in our sales volumes and profit margins and adversely affect our results of operations.

Our inability to maintain our relationship with our existing top 10 vendors and/or failure to procure raw materials from vendors/suppliers on favourable terms may have an adverse effect on our revenue, results of operation and would have an impact on our financial condition. We cannot assure you that we will be retain any of our top 10 vendors or we will be able to find a suitable replacement for any of our existing top 10 vendors. Further, we cannot assure you that we will be able to enter into new arrangements with vendors on terms acceptable to us, which could have an adverse effect on our ability to source raw materials in a commercially viable and timely manner, if at all, which may impact our business, results of operations and financial condition. Further, if, for any reason, our primary vendors of raw materials should curtail or discontinue their delivery of such materials or products to us in the quantities we need, or on commercially acceptable terms, production schedules could be disrupted, and our business and results of operations could be adversely affected. Further, our margins and profitability will be adversely affected if, and to the extent, we are unable to off-set the increase in cost of raw materials to the prices of our products.

5. *Revenue from manufacturing API intermediates constitutes a significant majority of our revenue from operations and failure to maintain and augment our revenue therefrom could materially adversely affect our business and financial condition.*

While our Company's primary business verticals are (i) Manufacturing of API intermediates; and (ii) Specialty or fine chemicals, our revenue from manufacturing of API intermediates constitutes a significant portion of our revenue from operations. Set out below is a break-up of our revenue from our primary business verticals for the 6 months period ended September 30, 2024 and Fiscal 2024, Fiscal 2023 and Fiscal 2022.

Particulars	6 months period September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations
API intermediates	684.83	87.63	1,110.51	81.29	828.05	78.87	821.62	76.72
Specialty chemicals	94.86	12.14	246.56	18.05	177.40	16.90	125.93	11.76

Particulars	6 months period September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations
Custom Synthesis	1.81	0.23	9.08	0.66	44.50	4.24	123.33	11.52
Total	**781.51**	**100.00**	**1,366.16**	**100.00**	**1,049.95**	**100.00**	**1,070.88**	**100.00**

Our continued success will depend to a large extent on our ability to maintain and augment our revenues from manufacturing of API intermediates. According to the CARE Report, the API Industries is subject to risks such as dependence on imports, price volatility of raw materials, regulatory hurdles in complying with stringent international regulatory standards, increasing compliance with environmental regulations and pollution control mandates and competition. If we are unable to maintain and augment our revenues from API intermediates business, our business and financial condition could be materially adversely affected.

6. ***Failure to meet quality standards required by our customers may lead to cancellation of existing and future orders and expose us inter alia to warranty claims, including monetary liability, which may have an impact on our reputation, business and our financial condition.***

Our product offerings are subject to stringent quality standards and specifications. Given the nature of the applications of our products, our processes and products are subjected to exacting high-quality standards and stringent compliance in terms of obtaining licenses and filing forms under Drug Master File (**DMF**). Further, the end use of our various products has been formally recognised in filings with regulatory agencies. To be able to qualify as an '*approved supplier'* our Company goes through a rigorous audit by the customers and sometimes the GMPs audits, post the sampling of our products etc., which typically takes over 12-18 months and differs from product to product and customer to customer. While during the last 3 Fiscals and 6 months ended September 30, 2024, there has not been any instances of failure to be recognised as an approved supplier or a de-recognition as an approved supplier, if we are unable to qualify as an '*approved supplier*' by new customers or if an existing customer de-recognises us an '*approved supplier*', then it may hamper our growth and could have an adverse effect on our reputation, business and our financial condition.

Further, APIs are an essential component in manufacturing pharmaceutical drugs and consequently are heavily regulated across various jurisdictions. Quality standards prescribed for APIs require that our products also meet stringent guidelines. Further, our customers regularly conduct inspections and audit of our facilities to ensure that our processes are up to their internal standards. Further, our processes and facilities are also, generally, subject to inspection by customers. Customers or their representatives have in the past identified issues including deficiencies such as Microbial testing of processed water required, Pest control services or monitoring in production building areas, De-dusting of RM is done in area which is outside of warehouse building, In-Process results and critical process parameters results are not available in Annual Product Quality Review and Annual Product Quality Review summary does not cover information about reworking/reprocessing of batches. Additionally, in May 2024, the United States Food and Drug Administration (**US FDA**), undertook a pre-announced, pre-approval inspection of our Manufacturing Facility to provide pre-approval inspection coverage for the manufacture of a ARIPIPRAZOL. After the aforementioned inspection and based on the comments received from the US FDA, we have undertaken the necessary steps towards getting our Manufacturing Facility compliant with US FDA standards. Our average product rejection rate across our application industries in the 6 months period ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 was approximately 2.00%. Failure to meet quality and standards of our products and processes can have serious consequences including rejection of the product and loss of customer confidence which could have adverse effect on our reputation, business and our financial condition.

Further, our Manufacturing Facility is accredited with ISO 9001-2015, ISO 14001-2015 and ISO 45001-2018 for the development, manufacture and sale of organic fine chemicals and pharmaceutical intermediates. While during the last 3 Fiscals and 6 months ended September 30, 2024, there has not been such instances of failure to renew accreditations, if we are unable to renew these accreditations, our brand and reputation could be adversely affected. Any significant damage to our reputation and, or, brand caused by being denied such accreditations and certifications could have a material adverse effect on our ability to attract new and repeat customers and, as a result, adversely affect our business, results of operations, financial condition and cash flows.

7. ***We are dependent on third party logistic and support service providers for the delivery of raw materials and finished products and any disruptions in their services including transportation services or a decrease in the quality of their services may adversely affect our business, financial condition and results of operations.***

We rely on third party logistic and support service providers including for transportation services at multiple stages of our business activities, including for procurement of raw materials from our suppliers and for transportation of our finished products from our factory to our customers and project sites. We generally use air, water, road and rail transportation services to meet our transportation requirements. However, we do not enter into any long-term contracts with any logistics service provider and engage and hire the logistics service providers through the spot contracts based on factors including cost, availability and delivery schedules. Accordingly, our transportation costs may vary and are based on rates that are offered to us from time to time.

Our operations and profitability are dependent upon the availability of reliable logistic and support services in a timely and cost-efficient manner and any disruption in these services including transportation services or increase in their cost may affect our business, financial condition and results of operations. Our business is also vulnerable to increased transportation costs or delivery delays due to various factors, including increase in fuel costs, freight rates, increase in port, road and toll taxes, shipping congestions, damage or losses of goods in transit, disruption of transportation services because of weather related problems, strikes, lock-outs, accidents, inadequacies in airways, waterways and road infrastructure, currency fluctuations, changes in tariff or import policies, political uncertainty or other similar events. The freight, octroi and carting expenses, loading, unloading and weighment expenses, and electricity cost incurred by our Company for the 6 months ended September 30, 2024 and in Fiscals 2024, 2023 and 2022 was as below:

Particulars	**6 months ended September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Amount (in ₹ million)	**As a % of total revenue from operations**	**Amount (in ₹ million)**	**As a % of total revenue from operations**	**Amount (in ₹ million)**	**As a % of total revenue from operations**	**Amount (in ₹ million)**	**As a % of total revenue from operation**
Freight, octroi and carting expenses, loading, unloading and weighment expenses	1.91	0.24%	3.18	0.23%	3.12	0.30%	3.55	0.33%

We may face transportation risks including damage or losses of goods in transit, delay in deliveries to our customers etc. due to loss or pilferage, which we may not be able to fully recover from our service provider or from our insurance coverage. Further, while we seek to factor in transportation cost in the cost of finished products, we bear transportation risk for the duration of transit. In addition, we may be required to replace a service provider if its services do not meet our safety, quality or performance standards or the partner's non-compliance with applicable laws or if it should unexpectedly discontinue operations due to reasons beyond its or our control. Any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or inability to deliver our products to our customers or may require us to look for alternative means of transportation which may not be cost or time efficient, thereby adversely affecting our operations, profitability, reputation and market position.

8. ***Our Company has a high working capital requirement and if our Company is unable to raise sufficient working capital, the operations of our Company will be adversely affected.***

Our business is highly working capital intensive and requires a significant amount of working capital to finance our operations and our inability to meet our working capital requirements may adversely affect our cash flow cycle. Our business requires a significant amount of working capital for our operations before payment is received from our customers more particularly due to the long execution period of the projects undertaken by us for our customers. Any delay in processing our payments by our customers may increase our working capital requirement. Further, if a customer defaults in making payments for a product on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses.

Our Company's net working capital requirements and working capital cycle as on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 were as follows:

Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Net Working capital requirement* *(in ₹ million)*	161.75	86.26	106.71	184.72
Working Capital Cycle**	106 days	55 days	40 days	41 days

* *Net working capital requirement = Current assets - Current liabilities*
** *Working Capital Cycle is calculated as Inventory days plus trade receivable days less trade payable days*

Continued increase in our working capital requirements may have an adverse effect on our financial condition and results of operations. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. If we under-budget our working capital requirements, it may lead to delays in arranging additional working capital requirements, delays in meeting customer timelines which could lead to a loss of reputation, the levy of liquidated damages which could adversely affect our reputation, business, and our financial condition.

9. ***Delays in payments from our customers exposes us to credit risk and it may have an adversely impact our results of operations and cash flows.***

We are exposed to counterparty credit risk in the usual course of our business dealings with our customers, or other counterparties who may delay or fail to make payments or perform their other contractual obligations. We cannot assure you that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults or delays in making its payments, it could have a material adverse effect on our Company's results of operations and financial condition. Set out in the table below are our revenue from operations, trade receivables as a as on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022:

Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Revenue from Operations *(in ₹ million)* (**A**)	784.48	1,374.21	1,057.19	1,081.01
Trade receivables *(in ₹ million)* (**B**)	387.47	276.40	197.35	256.68
Trade receivables as a % of revenue from operations (**C = B/A**)	49.39%	20.11%	18.67%	23.74%
Trade receivable turnover ratio (times)*	2.36	5.80	4.66	4.19
Trade receivables days**	77 days	63 days	78 days	87 days

* *Trade receivable turnover ratio is calculated as Revenue from Operations divided by the average trade receivables for the year / period.*
** *Debtor days are calculated by dividing average receivables by revenue from operations and multiplied by number of days in the period / year.*

We cannot assure you of the timeliness of all or any part of our customers' payments and whether they will be able to fulfil their obligations. Failure on the part of our customers to pay our dues in a timely manner or at all, including as a consequence of their financial difficulties, deterioration in their business performance, or a downturn in the global economy, could adversely affect our business and financial condition. For further details see '*Restated Financial Statements – Note 8.1 - Trade Receivable Ageing summary*' on page 281. While during the 6 months ended September 30, 2024 and in Fiscals 2024, Fiscal 2023 and Fiscal 2022, we have not written off any bad debts, we cannot assure you that we will be able to accurately access the creditworthiness of our customers in the future. If our customers delay or default in making payments in the future, our results of operations and cash flows may be adversely affected.

10. ***We have incurred indebtedness which exposes us to various risks which may have an adverse effect on our business, results of operations and financial conditions. Conditions and restrictions imposed on us by the agreements governing our indebtedness could adversely affect our ability to operate our business.***

As of February 28, 2025, our total sanctioned was ₹ 1,581.00 million and our outstanding balance of our fund based borrowings, including secured and unsecured borrowings (long term and short term, but excluding vehicle loans) was ₹ 1,317.41 million, respectively. While, as part of one of the '*Objects of the Offer'* we intend to repay and/ or pre-pay, in full or part, certain borrowings availed by our Company aggregating up to ₹ 1,300.00 million, the level of our indebtedness could have several consequences, including but not limited to the following:

i. defaults of payment and other obligations under our financing arrangements may result in an event of default, acceleration of our repayment obligations and enforcement of related security interests over our assets; and

ii. our ability to obtain additional financing in the future or renegotiate or refinance our existing indebtedness on terms favourable to us may be limited.

Additionally, our financing agreements contain certain conditions and restrictive covenants that require us to obtain consents from respective lenders prior to carrying out specified activities and entering into certain transactions. Our lenders require us to obtain their prior approval for certain actions, which, amongst other things, restrict our ability to undertake various actions including incur additional debt, declare dividends, amend our constitutional documents, change the ownership or control and management of our business. While our Company has received necessary approval from its lenders to undertake this Offer, we cannot assure you that we will be able to obtain approvals to undertake any other aforementioned activities as and when required or comply with such covenants or other covenants in the future. For further details regarding our indebtedness, see '*Restated Financial Statements*' and '*Financial Indebtedness*' beginning on pages 261 and 357, respectively.

11. ***Any failure on our part to effectively manage our inventory may result in an adverse effect on our business, revenue from manufacturing operations and financial condition.***

We are a manufacturing entity, and, at all points of time, a certain portion of assets comprise inventory of raw material, work-in progress, and stock in trade to address any event of unavailability of raw materials in the market. Any failure on our part to effectively manage our inventory may have an adverse effect on our financial condition and may even lead to loss of materials and increase the costs of our operations. Set out below are the details of the closing inventories, on a consolidated basis, in the 6 months ended September 30, 2024 and in Fiscal 2024, 2023, and 2022:

(in ₹ million)

Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Raw material	122.44	65.27	67.03	83.61
Work in progress	272.37	138.41	59.79	33.75
Finished goods	52.47	58.71	58.86	26.31
Total	**447.28**	**262.40**	**185.68**	**143.67**

Further, our inventory turnover ratio as on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 was as below.

Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Inventory turnover ratio*	0.93	2.96	3.49	5.44
Inventory days**	197 days	123 days	104 days	67 days

** Inventory turnover ratio is Inventory Turnover Ratio is calculated as Cost of Goods Sold divided by Average Inventory.*
*** Inventory days are calculated by dividing average inventory by the Cost of Goods Sold and multiplied by number of days in the period / year.*
Note: Cost of Goods Sold is calculated as Cost of Materials consumed plus Purchases of Traded Goods plus Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress. Average Inventory is calculated as average of the inventory at the beginning of the year and at the end of the year / period.

If we overestimate our requirements for inventory as compared to the demand for our products, it may lead to wastage and increase our operating costs and further restrict our ability to service our customers in a timely and cost-efficient manner. Further, such erroneous overestimations may also unduly increase costs of production affecting profitability. Equally, if we underestimate our requirements for inventory, it may adversely affect our ability to manufacture the required quantity of products for our customers' requirements in a timely and cost-efficient manner which may lead to loss of business and / or the opportunity to service our customers which could adversely affect our business, results of operations and financial condition. Additionally, if our inventory of finished products is not dispatched on time or if there is an unanticipated delay in the delivery of our finished products or if the finished products are not properly maintained or are damaged or destroyed, we could lose such inventory which could have an adverse impact on our production cycle, results of operation and financial condition.

12. *Our manufacturing process involves the use of hazardous and flammable industrial chemicals which entails significant risks and could also result in enhanced compliance obligations.*

Manufacturing of API intermediates and speciality chemicals utilises various chemicals such as Piperazine Anhydrous, Benzyl acetone, 2-(2-Chloroethoxy)ethanol, 2-Chloroethylamine hydrochloride, 70% aqu. Soln, 4-Chlorobutyryl Chloride, Phosphorus oxychloride, Bis(2-Chloroethylamine)hydrochloric acid, 2-Diisopropylaminoethyl chloride Hydrochloride, (3,4-Dimethoxy phenyl)Acetonitrile, 1-Bromo-3-Chloropropane, 2,3-Dichloroaniline, 2,5-Dichloronitrobenzene. Manufacturing API intermediates and speciality chemicals requires use of a large range of chemical components including various acids like Sulfuric acid, Hydrochloric acid and acetic acid. Consequently, our Manufacturing Facility store and utilize, on a daily basis, various hazardous and inflammable industrial chemicals such as Solvent Like Methanol, toluene, Isopropanol, Hydrogen gas, thionyl chloride, Phosphorus oxychloride, dichloromethane flammable organic solvents like hexane, cyclohexane, ethyl acetate, and other corrosive raw materials like aluminium chloride, phosphorous oxychloride. While our Company believes that it has necessary controls and processes in place, any failure of such systems, mishandling of hazardous chemicals or any adverse incident related to the use of these chemicals or otherwise during the manufacturing process may cause industrial accidents, fire, health hazards, loss of human life, damage to our and third-party property and, or, environmental damage. If any industrial accident, loss of human life or environmental damage were to occur we could be subject to significant penalties, other actionable claims and, in some instances, criminal prosecution. While during the last 3 Fiscals and 6 months ended September 30, 2024, there have not been any such instances, any such event would in addition to adversely affecting our reputation also temporarily reduce our utilization of manufacturing capacity which could adversely affect our business, results of operations and reputation. Further, any environmental damages could increase the regulatory scrutiny and result in enhanced compliance requirements including on use of materials and effluent treatment which would, amongst others, increase the cost of our operations.

13. *Our future success and continued growth will depend on our ability to effectively implement our business and growth strategies. Our failure in effectively implementing our business and growth strategies may adversely affect our results of operations.*

Our revenue from operations have grown significantly and between Fiscal 2022 and Fiscal 2024, our revenue from operations increased from ₹ 1,081.01 million to ₹ 1,374.21 million at a CAGR of 12.75%. Further, during the 6 months period ended September 30, 2024, our revenue from operations was ₹ 784.48 million.

Our continued success will depend, in large part, on our ability to effectively implement our business and growth strategies including (i) augmenting and diversifying our saleable product bouquet while improving production efficiencies; (ii) increasing our contract manufacturing and custom synthesis portfolio; (iii) improving the debt profile of our Company; and (iv) growing our export book. For details, see *'Our Business - Our Strategies'* on page 208. We cannot assure you that we will be able to execute our strategies in a timely manner or within budget estimates or that we will meet the expectations of our clients and other stakeholders. We believe that our business and growth strategies will place significant demands on our senior management and other resources and will require us to develop and improve operational, financial and other internal controls. Further, our business and growth strategies may require us to raise further funds. Any inability to manage our business and growth strategies could adversely affect our business, financial condition and results of operations. Further, our business is to a large extent driven by our internal systems and control mechanism. Therefore, our continued growth is intrinsically linked to our being able to maintain adequate internal systems, processes and controls and, in order to manage our growth effectively, we must implement, upgrade and improve our operational systems, procedures and internal controls on a timely basis. Our failure to maintain such systems or to implement, upgrade or improve our systems could stymie our growth.

We cannot assure you that we will be able to successfully implement our strategies, continue to grow at the rate at which we have grown since Fiscal 2022, or that we will be able to generate revenue from all or any of the proposed strategies that we plan to implement. Our inability to maintain our growth or failure to successfully implement our growth strategies within time and cost expectations could have an adverse impact on the results of our operations, our financial condition and our business prospects.

14. ***Our operations and growth are dependent on developing new organic chemical compounds. If we are unable to continuously develop new organic chemical compounds and products, and optimise our processes then our ability to grow, including by expanding our presence across different end-user industries, increase our contract manufacturing & custom synthesis, and, or, compete effectively, might be compromised, which would have an adverse impact on our business and financial condition.***

Our Company focus is to continuously work towards developing new organic chemical compounds and we continually seek to develop new products. The diversity of our product bouquet enables us to address a wide range of industrial applications. As on December 31, 2024, our product development division had a dedicated team of 8 employees, 3 of whom have a master’s degree in science and 3 have a bachelor’s degree in engineering, science and technology. We have developed a total product base of 263 products of varying chemistries as of December 31, 2024. The table below sets out details of the number of new products that our Company has commercialised i.e., new products which were manufactured and sold by our Company, in 6 months period ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	No. of new products manufactured and sold	Aggregate revenue from newly manufactured products (*in ₹ million*)	Aggregate revenue from newly manufactured products as a % of revenue from operations
6 months period ended September 30, 2024***	35	42.31	5.41%
Fiscal 2024**	26	73.80	5.40%
Fiscal 2023*	19	25.50	2.43%
Fiscal 2022	10	36.21	3.38%

***** *including the 10 products commercialised in Fiscal 2022.*
*** including the 19 products commercialised in Fiscal 2022 and Fiscal 2023.*
**** including the 26 products commercialised in Fiscal 2022, Fiscal 2023 and Fiscal 2024.*

Our operations and growth are dependent on developing new organic chemical compounds. The diversity of our product bouquet has enabled us to address a wide range of industrial applications, which in turn has helped us to reduce our dependence on any specific sector, product or customer base. Also, developing and perfecting new product processes as per customer’s specification is crucial for our growth strategy to increase our footprint in the contract manufacturing and custom synthesis business. If we are unable to continuously develop new organic chemical compounds and products, and optimise our processes then our ability to grow, including by expanding our presence across different end-user industries, contract manufacturing & custom synthesis business and, or, compete effectively, might be compromised, which would have an adverse impact on our business and financial condition.

Further, before we can introduce a new product, we must successfully undertake a number of steps that involve market research on products, research and development, product impurity checks, refining the products based on customers requirement, production defined with stringent norms, ensure quality control and quality assurance obtaining the requisite regulatory approvals, getting relevant customer approval post undertaking their audit processes, approval of sample batch from the customer and commercialisation of the products. This process typically is carried out over 12-18 months and differs from product to product and customer to customer. Our failure to effectively adapt to the situations or to successfully introduce new products could adversely affect our business, results of operations and financial condition.

15. ***Under-utilization of our currently operational production lines at our Manufacturing Facility and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects, and future financial performance.***

Our ability to maintain our profitability depends on our ability to optimise our process of production. In particular, the level of our capacity utilization can impact our operating results.

If we face disruptions at our Manufacturing Facility including as a result of labour unrest, unexpected events or temporary schedule maintenance or inability to procure sufficient raw materials could result in operational inefficiencies which could impact our actual production and capacity utilisation and eventually our sales. Such disruption would have a material effect on our business and financial condition. While there have been no instances of under-utilization of our capacities in the past, there can be no assurance that such instances will not occur in future which may have an adverse impact on our business, results of operations and financial condition. For further details in relation to capacity utilisation, see section '*Our Business*' on page 196. The success of any capacity expansion and expected return on investment on capital expenditure is subject to, among other factors, the ability to procure requisite regulatory approvals in a timely manner; recruit and ensure satisfactory performance of personnel to further grow our business; and the ability to absorb additional infrastructure costs. Set out in the table below are details of the capital expenditure incurred by our Company in the 6 months ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	**For the 6 months ended September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Amount (*in ₹ million*)	**As a % of revenue from operations**	**Amount (*in ₹ million*)**	**As a % of revenue from operations**	**Amount (*in ₹ million*)**	**As a % of revenue from operations**	**Amount (*in ₹ million*)**	**As a % of revenue from operations**
Capital expenditure	102.93	13.12%	422.45	30.74%	740.06	70.00%	367.29	33.98%

Under-utilisation of our existing capacity would result in lower revenues, which could affect our ability to fully absorb fixed costs and thus may adversely impact our financial performance. Set out in the table below are details of our key equipment and the increase in the number of equipment and corresponding capacity.

Period	**Description**	**Total (Equipment in nos. / Capacity in KL)**
As of March 31, 2022	Equipment (Nos.)	95.00
	Volume (KL)	173.50
As of March 31, 2023	Equipment (Nos.)	176.00
	Volume (KL)	511.70
As of March 31, 2024	Equipment (Nos.)	263.00
	Volume (KL)	766.50
As of September 30, 2024	Equipment (Nos.)	307.00
	Volume (KL)	1,016.50
As of December 31, 2024	Equipment (Nos.)	345.00
	Volume (KL)	1,133.50

**As certified by A.Y. Chippa, Independent Chartered Engineer, pursuant to certificate dated March 10, 2025.*

For details of capacity equipment-wise, see *'Our Business - Manufacturing facility, plant and equipment'* on page 210.

Set out below are the installed capacity and actual production details of our Manufacturing Facility as on December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022:

Particulars	**As on**			
	December 31, 2024	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Installed capacity (in Tonn)	495*	660	660	660
Actual production (in Tonn)**	474.47	527.24	421.18	502.74
Capacity utilisation (%)***	95.85%	79.88%	63.82%	76.17%

As certified by A.Y. Chippa, Independent Chartered Engineer, pursuant to certificate dated March 10, 2025.
** The total installed capacity for the year is 660 MT hence monthly capacity is 55 MT and December 31, being 9 months accordingly installed capacity for 9 months work out to be 495 MT.*
*** Actual Production taken form the GPCB return filled by the company every month*
**** The approved installed capacity of the company has increased from 55 MTPM to 180 MTPM with effect from January 16, 2025 and accordingly the Company will be able to scale up the business operations by utilising the additional capacity.*

Underutilization of our manufacturing capacity over extended periods, or significant under-utilization in the short term, could adversely impact our business, growth prospects and future financial performance.

16. ***Our employee benefit expense is one of the larger components of our fixed operating costs. An increase in employee benefit expense could reduce our profitability.***

Our pool of employees consists of employees comprising our top management, sales and marketing, human resources and administration, technical support and quality assurance, and finance and legal. As of December 31, 2024, we had 430 permanent employees. The total number of permanent employees engaged by us and our employee benefits expense were as follows:

Particulars	**As on September 30, 2024**		**As on March 31, 2024**		**As on March 31, 2023**		**As on March 31, 2022**	
Permanent employees	405		258		249		170	
Particulars	**As on September 30, 2024**		**As on March 31, 2024**		**As on March 31, 2023**		**As on March 31, 2022**	
	Amount (₹ million)	**% of revenue from operations**	**Amount (₹ million)**	**% of revenue from operations**	**Amount (₹ million)**	**% of revenue from operations**	**Amount (₹ million)**	**% of revenue from operations**
Employee benefits expenses	68.39	8.72	113.38	8.25	97.52	9.22	78.97	7.31

Due to economic growth in the past and the increase in competition for skilled and semi-skilled employees in India, wages in India have, in recent years been increasing at a fast rate. Our Company may need to increase our compensation levels to remain competitive in attracting and retaining the quality and number of skilled and semi-skilled employees that our business requires. Further, a shortage in the employee pool or general inflationary pressures will also increase our costs towards employee benefits. A significant long-term increase in our employee benefit expense could reduce our profitability, which could, amongst others, impact our growth prospects.

Further, our Company's average attrition rate of employees during the 6 months ended September 30, 2024 and last 3 Fiscals is set out below:

Particulars	As at and for the 6 months period ended September 30, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
No of employee's left during the year / period (A)	61	60	45	47
No of employees at the beginning of the year / period + No of employees joined during the year / period (B)	466	318	294	217
Employee attrition ratio (A/B) (%)	13.09%	18.87%	15.31%	21.66%

Employee Attrition ratio = (No of employee's left during the year / period) divided by (No of employees at the beginning of the year / period + No of employees joined during the year / period)

While we consider our current employee relations to be good, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to perform our obligations for the projects. During the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022, except for a dispute with a worker which was settled by our Company for an aggregate payment of ₹ 0.18 million, there has not been any dispute between our Company and our employees. Any disputes may also result in disruptions in our operations, which may adversely affect our business and results of operation.

17. ***There have been instances of inadvertent delays in payments of statutory dues by our Company. Any delays in payment of statutory dues may attract financial penalties from the respective government authorities and in turn may have an adverse impact on our financial condition and cash flows.***

We are subject to ongoing reporting and compliance requirements and are required to make payments of periodic statutory dues, which we may not be able to undertake at all times. Details of statutory dues paid by our Company in relation to our employees for the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022 are as provided below:

Particulars	6 months period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Provident Fund (₹ million)	5.77	9.18	7.43	5.62
ESIC (₹ million)	0.82	1.25	1.05	0.60
Number of employees for whom provident fund has been paid	405	258	249	170
Number of employees for whom provident fund is not applicable	-	-	-	-
Tax Deducted at Source on salaries (**TDS**) (₹ million)	3.78	8.18	7.66	6.55
Tax Deducted at Source on other than salaries (₹ million)	2.47	3.72	3.07	4.69
Number of employees for whom TDS has been paid	10	10	10	7
GST (₹ million) (including IGST, CGST & SGST)	111.93	234.92	165.82	154.40

There have been no instances of non-payment, delay in the payment of statutory dues/liabilities in the 6 months ended September 30, 2024 and Fiscals 2024, 2023 and 2022, except as follows:

Particulars	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Number of Instances	Amount Involved (*in ₹ million*)	Number of Instances	Amount Involved (*in ₹ million*)	Number of Instances	Amount Involved (*in ₹ million*)	Number of Instances	Amount Involved (*in ₹ million*)
Provident Fund	Nil	Nil	1	0.76	Nil	Nil	Nil	Nil
ESIC	Nil	Nil	3	0.31	9	0.81	7	0.41

Any further delay in payment of statutory dues in addition to as highlighted above, which may arise in the future could lead to imposition of financial penalties from the relevant government authorities which in turn may have a material adverse impact on our business, financial condition and cash flows.

18. ***We operate in a competitive industry. Any inability to compete effectively may lead to a lower market share or reduced operating margins.***

We operate in a highly competitive environment. Our major competitors include Ami Organics Limited, Aether Industries Limited, Concord Biotech Limited, Chandak Laboratories Private Limited, Catapharma Chemicals Private Limited Kronox Lab Sciences Limited, and Bule Jet Healthcare Limited. For further details, see '*Our Business - Competition*' on page 219. While we compete the aforementioned entities, they are not strictly comparable competitors since the scale of some of their operations is much larger than ours. Therefore, investors must rely on their own examination of our financial statements and performance against other entities who operate in the same industry as us, for the purposes of investment in this Offer. Some of our competitors may have certain advantages, including greater financial, technical and, or, marketing resources, which could enhance their ability to finance growth, fund future expansion, and, or, operate in more diversified geographies. As a result, to remain competitive in the market we must, in addition, continue to meet exacting quality standards, continuously strive to reduce our production and distribution costs and improve our operating efficiencies. If we fail to do so, it may have an adverse effect on our market share and results of operations. We cannot assure you that we can continue to effectively compete with such manufacturers in the future, and failure to compete effectively may have an adverse effect on our business, financial condition, and results of operations. Moreover, the competitive nature of the industry that we operate in may result in lower prices for our solutions and decreased profit margins, which may materially adversely affect our revenue and profitability. If we are unable to continuously optimise our processes, our ability to grow and, or, compete effectively, might be compromised, which would have an adverse impact on our business operations and financial condition.

19. ***We are dependent on technology in carrying out our business activities and it forms an integral part of our business. Damage to and/or malfunction of any of our operating systems, IT infrastructure or cyber security risks could disrupt our operations and adversely affect our business, results of operations, financial condition and cash flows.***

Our continued growth depends on the ability and performance of our existing technology that is utilized and will be utilized in our operations. We have implemented various information technology and ERP software solutions to cover key areas of our company viz. production, finance, sales, marketing, logistics, purchase and inventory, across our Manufacturing Facilities. We may in the future experience disruptions, outages, and other performance problems with our infrastructure due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, capacity constraints, distributed denial-of-service attacks or other security-related incidents. In some instances, we may not be able to identify the cause or causes of these performance problems immediately or in short order. We may not be able to maintain the level of production if there in an interruption or outage in the technology that we currently employ. While during the last 3 Fiscals and 6 months ended September 30, 2024, there has not been such instances, frequent or persistent interruptions in our manufacturing process could cause customers to believe that our products are unreliable, leading them to switch to our competitors or to otherwise avoid our products. This could negatively impact market acceptance of our business and our financial condition, and results of operations could be adversely affected. Further, our various information technology systems are potentially vulnerable to damage or interruption from a variety of sources, which could result from *inter alia* cyber-attacks. A significant or large-scale malfunction or interruption of one or more of our IT infrastructure or ERP systems could adversely affect our operations. In addition, it is possible that a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers. While during the last

3 Fiscals and 6 months ended September 30, 2024, there has not been such instances, such malfunction or disruptions could cause economic losses for which we could be held liable or cause damage to our reputation. Any of these factors, could have a material adverse effect on our business, results of operations and financial condition.

20. ***We are subject to strict customer specifications in terms of our customer contracts for custom synthesizing and contract manufacturing. Failure to adhere to the specifications may lead to cancellation of existing and future orders or expose us to warranty claims.***

According to the CARE Report, custom synthesis refers to the process of designing and manufacturing molecules tailored to specific customer requirements, which includes developing new compounds, modifying existing ones, and scaling up production. In custom synthesis the product is developed and customized by our Company, including the process know-how and technical specifications, which are developed in-house by us. One of the additional facet of our focus on developing new chemistries is that it strengthens our custom synthesis capabilities. According to the CARE Report, contract manufacturing entails the development of a product under confidentiality for a single customer using the process know-how and the technical specifications provided by the customer.

The contracts for custom synthesis and contract manufacturing require us to strictly adhere to the know-how and technical specifications mentioned therein. Failure to adhere to the know-how and technical specifications mentioned in our contracts may lead to cancellation of existing and future orders or expose us to warranty claims. Any such occurrence on account of errors and omission could result in damage to our reputation and loss of customers, which could adversely affect our business, operations, our cash flows and financial condition. Further, generally in our contracts, time is of the essence and contain provisions which may attract payment of penalty to the customer in the event there is a delay in delivery of products. Failure to adhere to contractually agreed timelines could make us liable to pay penalty and, or, liquidated damages which may adversely cash flows, affect our financial conditions and results of operation.

21. ***We are significantly reliant on our Promoters, Key Managerial Personnel, Senior Managerial Personnel and persons with technical expertise. Failure to retain or replace them will adversely affect our business.***

In order to successfully manage and expand our business, we are dependent on the services of our Promoters, Key Managerial Personnel and Senior Managerial Personnel, and their ability to attract, train, motivate and retain skilled employees and other professionals. Our Company is led by qualified Promoters, Bipin Patel, our Managing Director and one of our Promoters, is one of the founders of our Company, and was instrumental in envisioning the business and has 23 years of experience in the pharmaceutical industry. Kantilal Ramanlal Patel, one of our Promoters and our Whole-time Director (Technical) has over 45 years of experience. Aditi Patel, one of our Promoters, oversees day to day business of our Company and has experience in marketing. The continued involvement of our Promoters, Key Managerial Personnel and members of our senior management in the leadership position of our Company is critical to our success and their non-availability in a leadership role could have a deleterious impact on our business and financial conditions. There has not been any attrition amongst our KMP and Senior Management during 6 months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022. If we are unable to hire additional personnel or retain existing skilled personnel, in particular our Key Managerial Personnel and persons with requisite skills, our operations and our ability to expand our business may be impaired. Further, we may be unable to hire and retain enough skilled and experienced employees to replace those who leave or may not be able to re-deploy existing resources successfully. Failure to hire or retain Key Managerial Personnel, Senior Managerial Personnel and skilled and experienced employees could adversely affect our business and results of operations.

22. ***Our Company has in the past entered into related party transactions and may continue to do so in the future and we cannot assure you that we could not have achieved more favourable terms if such transactions had not been entered into with related parties and that such transactions will not have an adverse effect on our financial conditions and result of operation.***

Our Company has engaged in the past, and may engage in the future, in transactions with related parties, including with our Promoters, Directors, Key Managerial Personnel and their, on an arm’s length basis and in compliance with applicable law. Such transactions could be for salaries and remuneration, rent expenses, loans given etc. A summary details of our transactions with related parties are set out below:

(*in ₹ million*)

Particulars	6 months ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Sum of all related party transactions	28.62	71.77	39.82	126.07
Revenue from Operations	**784.48**	**1,374.21**	**1,057.19**	**1,081.01**
Sum of all related party transaction as a % of Revenue from Operations	3.65%	5.22%	3.77%	11.66%

For summary of related party transactions, see '*Summary of Offer Documents - Summary of Related Party Transactions*' and '*Restated Financial Statements – Note 42 - Related Party Disclosures'* on pages 18 and 314, respectively.

While our Company believes that all such transactions have been conducted on an arm's length basis and contain commercially reasonable terms, there can be no assurance that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that our Company may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. We cannot assure you that such transaction, individually or in the aggregate, will always be in the best interests of our Company and/or that it will not have an adverse effect on our business and results of operations.

23. ***We have incurred negative net cash from investing activities and financing activities in the past. Long term negative net cash in investing activities and financing activities in the future could have an adverse impact on our growth prospectus.***

We have incurred negative net cash from investing activities and financing activities. Set out in the table below is certain information concerning our cash flows for 6 months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022.

(*in ₹ million*)

Particulars	For the 6 months ended September 30, 2024	For year ended March 31, 2024	For year ended March 31, 2023	For year ended March 31, 2022
Net cash (used in) / generated from operating activities (**A**)	131.72	407.19	283.87	108.13
Net cash (used in) / generated from investing activities (**B**)	(102.64)	(421.58)	(739.83)	(368.14)
Net cash (used in) / generated from financing activities (**C**)	(29.03)	13.95	457.79	259.41
Net increase/(decrease) in cash and cash equivalents **(A+B+C)**	**0.05**	**(0.44)**	**1.83**	**(0.60)**

For further details, see '*Management's Discussion and Analysis of Financial Condition and Results of Operations - Cash Flows'* on page 388. We cannot assure you that such negative net cashflows will not be incurred by our Company in the future. Any such negative net cashflow in future, if any, could adversely impact our operations, financial condition and the trading price of the Equity Shares.

24. ***Inability to obtain or protect our intellectual property rights may adversely affect our business.***

As on the date of this Draft Red Herring Prospectus, our Company has made an application dated October 7, 2024 for registration of 1 trademark i.e., . The application is currently pending. For further details, see '*Our Business - Intellectual Property*' on page 219.

In the absence of the registered trademark for the application filed by us, our ability to protect such intellectual property may be diluted to such extent, and could adversely affect our reputation and business, which could in turn adversely affect our financial performance and the market price of the Equity Shares. We cannot assure you that this trademark will be registered in our name, and we will continue to enjoy uninterrupted use of the said. Any claim of intellectual property infringement from third parties, regardless of merit or resolution of such claims, could force us to incur significant costs in responding to, defending and resolving such claims, and may divert the efforts and attention of our management and technical personnel away from our business. Our inability to obtain or maintain our trademarks in our business, could adversely affect our reputation, goodwill, business prospectus, and results of operations.

Our ability to attract and retain our customers is also dependent upon public perception and recognition of the quality associated with our brand. Any damage to our brand could adversely impact the trust placed in the brand and our reputation and cause existing customers or intermediaries to withdraw their business and reconsider doing business with us. While there has been no past instance of negative publicity / false propaganda / allegation/ reputation damage, during the last 3 financial years and the 6 months ended September 30, 2024, any negative publicity may result in increased regulation and legislative scrutiny of industry practices as well as increased litigation, which may further increase our costs of doing business by requiring us to make provisions or consider claims under such litigations as contingent liabilities and adversely affect our profitability

Further, while we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights. Any claims of intellectual property infringement from third parties, regardless of merit or resolution of such claims, could force us to incur significant costs in responding to, defending and resolving such claims, and may divert the efforts and attention of our management and technical personnel away from our business. While there has not been any instance of any third-party alleging infringement of their intellectual property by our Company in the past last 3 financial years and the 6 months period ended September 30, 2024, the risk of being subject to intellectual property infringement claims will increase as we continue to expand our operations and product offerings. As a result of such infringement claims, we could be required to pay third party infringement claims. The occurrence of any of the foregoing could result in unexpected expenses.

25. ***There is an outstanding legal proceeding involving our Company which, if determined against us, could have a material adverse effect on our business, cash flows, financial condition and results of operations.***

Our Company is currently involved in a tax proceeding. A summary of outstanding litigation and the monetary amount involved in the cases we are currently involved in is mentioned in brief below:

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/ Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter	Material civil litigation*	Aggregate amount involved (₹ in million)*
1.	**Company**						
	By our Company	Nil	Nil	Nil	Nil	Nil	Nil
	Against our Company	Nil	1	Nil	Nil	Nil	10.11
2.	**Promoters**						
	By our Promoter	Nil	Nil	Nil	Nil	Nil	Nil
	Against our Promoter	Nil	Nil	Nil	Nil	Nil	Nil
3.	**Directors (other than Promoters)**						
	By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
	Against our Directors	Nil	Nil	Nil	Nil	Nil	Nil

**To the extent quantifiable.*

For further details on the outstanding litigation matters involving our Company, its Promoters, its Directors (other than Promoters), Key Managerial Personnel, Senior Management, and Group Company see '*Outstanding Litigation and Other Material Developments*' at page 399. Our Promoters, i.e., Bipin Patel and Kantilal Ramanlal Patel along with two others (collectively, '**Applicants**') have filed a criminal anticipatory bail application under Section 482 of the Bhartiya Nagarik Suraksha Sanhita, 2023, before the Court of Special Judge (NDPS Cases) at Sessions Court for Greater Bombay at Mumbai (**Anticipatory Bail Application**) for offences punishable under section 9(A), 25(A), 29, and 59 of the Narcotic Drugs and Psychotropic Substances Act, 1985 (**NDPS Act**). The Applicants have filed the Anticipatory Bail Application with apprehension of their arrest pursuant to a first information report dated July 11, 2019 (**FIR**) registered with the Anti Narcotic Cell for offences punishable under section 9(A), 25(A), 29, and 59 of the NDPS Act against Sam Fine O Chem Limited (**Accused Company**). Our Promoters, i.e., Kantilal Ramanlal Patel and Bipin Patel were associated with the Accused Company as directors and they ceased to be directors of Accused Company during the financial year 2019-20. The FIR is filed against the Accused Company for alleged manufacturing and exporting controlled chemicals i.e., N-Phenethyl, 4 Piperidone. The Special Court for Narcotic Drug and Psychotropic Substance Act, 1985 at Greater Bombay through its order dated October 18, 2024 (**Order**) has allowed the Anticipatory Bail Application. In terms of the Order, in the event of an arrest, our Promoters i.e., Bipin Patel and Kantilal Ramanlal Patel will be released upon complying with the conditions set out in the Order *inter alia* executing PR Bond of ₹ 50,000 each. Subsequently, our Promoters, i.e., Bipin Patel and Kantilal Ramanlal Patel were summoned and have appeared before the authorities. The proceedings under the FIR are yet to be concluded.

We may be required to devote management and financial resources in the defence or prosecution of such legal proceeding. Should any new developments arise, including a change in Indian law or rulings against us by the appellate courts or tribunals, we may face losses and have to make further provisions in our financial statements, which could increase our expenses and our liabilities. There can be no assurance that the provisions we have made for litigation will be sufficient or that further litigation will not be brought against us in the future. Decisions in such proceedings adverse to our interests may have a material adverse effect on our business, cash flows, financial condition, and results of operations.

In the event significant claims are determined against us and we are required to pay all or a portion of the disputed amounts, there could be a material adverse effect on our business and profitability. We cannot provide any assurance that these matters will be decided in our favour. Furthermore, we may not be able to quantify all the claims in which we are involved. Failure to successfully defend these or other claims or if our current provisions prove to be inadequate, our business and results of operations could be adversely affected. Even if we are successful in defending such cases, we will be subjected to legal and other costs relating to defending such litigation, and such costs could be substantial. In addition, we cannot assure that similar proceedings will not be initiated in the future. This could adversely affect our business, cash flows, financial condition, and results of operation.

26. ***Any break-down of our machinery at our manufacturing facility will have a significant impact on our business, financial results and growth prospects. Our success and financial condition will depend on our ability to maximise our capacity utilisation.***

Our manufacturing operations are dependent on our machinery and some of the key machinery include SS & GL Reactors, Hydrogenerator, High Vacuum Distillation Unit, HDPE Scrubber, SS Centrifuge, Powder Processing Equipment's, SS Liquid Blender, SS Scrubber, ANF SS and AND SS. Our product output is dependent on the efficient utilisation of our machinery. Any significant malfunction or breakdown of our machinery may entail repair and maintenance costs and cause delays in our operations. During the last 3 Fiscals and in the 6 months ended September 30, 2024, there have been no instances of break-down of machinery which had a material impact on the business operations of our Company. Further, while we believe that we maintain necessary supplies of spare parts and maintenance related equipment, if we are unable to procure the necessary spare parts in a timely manner or if we are unable to carry out the necessary repair of the malfunctioning machinery promptly, our manufacturing operations may be hampered which could have an adverse impact on our results of operations and financial condition. In addition, any malfunction or break-down of machinery which significantly impacts our manufacturing process could also have an adverse impact on our ability to meet our product delivery schedules which could also invite penalties / damages and affect our reputation. Our machineries may also become obsolete due to technological advancements which may impact the quality of our products and our ability to compete effectively.

27. ***Health, safety and environmental matters, including compliance with environmental laws and remediation of contamination, could result in substantially increased capital requirements and operating costs.***

Our business and operations are subject to laws, regulations and contractual commitments relating to health, safety and the environment and our operations generate large amounts of pollutants and waste, some of which are hazardous. These laws, regulations and contractual commitments concern air emissions, wastewater discharges, solid and hazardous waste material handling and disposal, worker health and safety, and the investigation and remediation of contamination or other environmental restoration. The risks of substantial costs and liabilities related to these laws and regulations are an inherent part of our business, and future conditions and contamination may develop, arise or be discovered that create substantial environmental compliance, remediation or restoration liabilities and costs. Other developments, such as increased requirements of environmental, health and safety laws and regulations, increasingly strict enforcement thereof by governmental authorities, and claims for damages to property or injury to persons resulting from the environmental, health or safety impacts our Company's operations or past contamination, could prevent or restrict some of our Company's operations, require the expenditure of significant funds to bring our Company into compliance, involve the imposition of clean up requirements and give rise to civil or criminal liability. While during the last 3 Fiscals and 6 months ended September 30, 2024, there has not been such instances, there can be no assurance that any such legislation, regulation, enforcement or private claim will not have a material adverse effect on our Company's business, financial condition or results of operations. In the event that production at our Manufacturing Facility is partially or wholly prevented due to this type of sanction, our Company's business could suffer significantly, and its results of operations and financial condition could be materially and adversely affected.

28. ***Failure to keep our technical knowledge confidential could erode our competitive advantage.***

Our technical knowledge has helped us in manufacturing a wide range of products and enables us to cater to specific and customised requirements of customers, and tailor our products accordingly. In addition, our technical knowledge also assists us in developing new organic chemical compounds. Such technical knowledge has been built up through our own experiences and through our research. Our technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights. Some of our technical knowledge is protected only by secrecy. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run.

Certain proprietary knowledge may get leaked, either inadvertently or wilfully, at various stages of the development process. A significant number of our employees have access to confidential information and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our various competitors. Although we have non-disclosure provision included in the appointment letters of employees, there can be no assurance that we will be able to successfully enforce such provisions. Further, even if we are able to enforce such non-disclosure provisions, the confidential information in respect of our solution offerings or business that becomes available to third parties or to the general public, could erode any competitive advantage we may have over our peers. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects.

Further, in our ordinary course of business we possess confidential information in relation to our customers and are contractually bound to protect such information from misappropriation. If such confidential information pertaining to our customers is leaked or misappropriated our customers could, in addition to terminating their relationship with our Company, also have significant claims against us. If we are held to be liable for the misappropriation of confidential information or the intellectual property of our customers against us, it could have a material adverse effect on our business, financial condition and results of operations. Even if such assertions against us are unsuccessful, they may cause reputational harm and may cause us to incur substantial cost.

29. ***If we are subject to any frauds, theft, or embezzlement by our employees, vendors suppliers, it could adversely affect our reputation, results of operations, financial condition and cash flows.***

Our operations may be subject to incidents of theft. We may also encounter some inventory loss on account of employees, vendors, suppliers' fraud, theft, or embezzlement. We have set up various security measures in our manufacturing facility such as closed circuit television surveillance system, deployment of security guards and regular inventory checks. While apart from 1 instance of theft of certain materials involving a sum of ₹ 2.78 million, there has not been any instance of fraud, misconduct, misrepresentation by our employees in the last 3 financial years and the 6 months ended September 30, 2024, there can be no assurance that we will not experience any fraud, theft, employee negligence, loss in transit or similar incidents in the future, which could adversely affect our reputation, results of operations, financial condition, and cash flows.

30. ***Any failure to obtain, renew and maintain requisite statutory and regulatory permits, licenses and approvals for our operations from time to time may adversely affect our business.***

In terms of applicable laws and our contracts, we require various statutory and regulatory permits, licenses, registrations, certifications, consents and approvals to carry out our business and operations (cumulatively, the **Approvals**). A majority of these Approvals are granted for a limited duration and must be periodically renewed. While there have been no instances of rejection of any Approvals of our Company in the past we cannot assure you that such instances will not occur in the future or we will be able to renew our Approvals in a timely manner or at all. If we do not receive these Approvals or if we are unable to renew the Approvals in a timely manner, or at all, then our business and operations may be adversely affected. For further details, see '*Government and Other Approvals*' at page 404.

Moreover, the Approvals are subject to various conditions and there can be no assurance that these Approvals and non-compliance or alleged non-compliance with any terms or conditions of such Approvals could lead to regulatory action including monetary penalties, imprisonment of concerned officers in default, suspension or revocation of the approval. Suspension or revocation of the Approvals by the relevant regulatory authority, either on account of non-compliance or otherwise, would impair our Company's operations and, consequently, have an adverse effect on our business, cash flows and financial condition.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. Further, if we are affected, directly or indirectly, by the application or interpretation of any provision of such laws and regulations or any related proceedings or are required to bear any costs in order to comply with such provisions or to defend such proceedings, our business and financial performance may be adversely affected.

31. ***We are dependent on our manufacturing facility which is situated in Vadodara, Gujarat. We are subject to risks in relation to our manufacturing process including accidents and natural disasters and also risks arising from changes in the economic or political conditions of Gujarat which in turn will interfere with our operations and could have an adverse effect on our business, results of operations and financial condition.***

Our manufacturing operations are based out of our facility in Village: Manjusar, Vadodara, Gujarat (**Manufacturing Facility**). Our manufacturing operations are subject to operating risks, such as the breakdown or failure of equipment, power supply interruptions, facility obsolescence or disrepair, labour disputes, natural disasters and industrial accidents. The occurrence of any of these risks could affect our operations by causing production at our manufacturing units to shut down or slowdown. While there have been no other instances of having to shut down our facilities in the immediately preceding 3 Fiscals and 6 months ended September 30, 2024, we cannot assure you that such instances will not occur in future.

Our Company is also significantly dependent on continuous supply of essential utilities such as electricity which are critical to our operations. While there have not been any instances of shortage of gas and electricity during the immediately preceding 3 Fiscals and 6 months ended September 30, 2024, any shortage or non-availability of essential utilities in the future could result in temporary shut-down of a part, or all, of our operations. Such shut-downs could, particularly if they are for prolonged periods, could affect our status as a pre-approved vendor for our various customers, in India and outside India and also affect our accreditations, which in turn could have an adverse effect our business, results of operations and financial condition. Moreover, if we are required to operate for extended periods of time on diesel generator sets, our cost of operations would be higher during such period which could have an adverse impact on our profitability.

The concentration of our Manufacturing Facility and operations in a single location in Gujarat subjects us to various risks, including vulnerability to change of policies, laws and regulations or the political, disruption or disturbance in surrounding areas, any of which, could adversely affect our business, financial condition, results of operations, cash flows and prospects.

32. ***Our Promoters, who are also the Selling Shareholders, have subscribed to, and purchased, Equity Shares, at a price which could be below the Offer Price. The average cost of acquisition of Equity Shares by our Promoters could also be lower than the Offer Price.***

We have issued Equity Shares to our Promoters, who are also the Selling Shareholders, and our Promoters have acquired Equity Shares by way of transfers, at a price which could be below the Offer Price. For more details see '*Capital Structure*' on page 81.

The average cost of acquisition of Equity Shares by our Promoters (**Average Cost of Acquisition**) is set out below:

Name	Number of Equity Shares held	Average Cost of Acquisition per Equity Share (in ₹)
Promoters		
Bipin Patel	53,578,170	1.12
Kantilal Ramanlal Patel*	11,471,580	1.12
Manisha Bipin Patel*	11,463,030	1.12
Aditi Patel	9,000	Nil

**Also, Promoter selling shareholders*

The aforementioned average cost of acquisition of Equity Shares by our Promoters may be lower than the Offer Price.

33. ***Our Promoters and Promoter Group will, even after the completion of the Offer, continue to be our largest Shareholders and can influence the outcome of resolutions, which may potentially involve conflict of interest with the other Shareholders.***

Currently, our Promoters and members of the Promoter Group hold 76,539,780 Equity Shares constituting almost the entire Equity Share capital of our Company, and they will continue to remain our largest Shareholder even after the completion of this Offer. While there is no shareholder agreement in place with our Promoters and members of the Promoter Group, they will nevertheless, collectively, will have the ability to significantly influence our corporate decision-making process. This will include the ability to appoint Directors on our Board and the right to approve significant actions at the Board and at the Shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements and any amendment to the constitutional documents. Our Company cannot assure you that the interest of the Promoters and members of the Promoter Group in any such scenario will not conflict with the interest of other Shareholders or with our Company's interests. Any such conflict may adversely affect our Company's ability to execute its business strategy or to operate our Company's business effectively or in the best interests of the other Shareholders of our Company.

34. ***Our Promoters and some of our Directors and Key Managerial Personnel have interests in our Company other than reimbursement of expenses incurred and normal remuneration or benefits.***

Our Promoters, some of our Directors and Key Managerial Personnel may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Further, our Promoters and certain Directors and Key Managerial Personnel may be deemed to be interested to the extent of Equity Shares held by them or their relatives (or Promoter Group) as well as to the extent of dividend on such Equity Shares or any other corporate action on such Equity Shares that may be held by them in the future. Our Company cannot assure you that our Promoter, Directors and our Key Managerial Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. For further details, see '*Our Management*' and '*Our Promoters and Promoter Group*' on pages 233 and 255, respectively.

35. ***Our Company's operations are subject to varied business risks and our Company's insurance cover may prove inadequate to cover the economic losses of our Company.***

Our Company's operations are subject to various risks and hazards which may adversely affect revenue generation and profitability of our Company. While our Company believes that it has taken adequate safeguards to protect our Company's assets from various risks inherent in our Company's business, including by purchasing and maintaining relevant insurance cover such as fire and special perils, boiler and pressure plant, marine cargo, group personal accident, workmen compensation, public liability (Act) only, etc, it is possible that our Company's insurance cover may not provide adequate coverage in certain circumstances. For details of our insurance, see '*Our Business - Insurance'* on page 219.

While our Company believes that we maintain sufficient insurance cover by virtue of maintaining insurance policies, certain types of losses may be either uninsurable, not economically viable to insure or not offered for insurance, such as losses due to acts of terrorism or war. If any uninsured loss occurs, our Company could lose our investment in, as well as anticipated profits and cash flows from the asset For instance, we do not maintain a keyman insurance policy. In addition, even if any such loss is insured, there may be a significant deductible on any claim for recovery prior to our insurer being obligated to reimburse us for the loss, or the amount of the loss may exceed our coverage for the loss. For instance, during the last 3 years and 6 months ended September 30, 2024, against our 2 insurance claims raised of ₹ 2.78 million as theft insurance claim and ₹ 2.26 million as fire insurance claim, we were only able to recover ₹ 2.17 million and ₹ 1.58 million, respectively. Further, even in the case of an insured risk occurring there can be no assurance that our Company will be successful in claiming insurance in part or full, or that the insurance purchased by us will be sufficient to cover the loss occasioned by the risk. Any loss that is not covered by insurance, or for which our Company is unable to successfully claim insurance, or which is in excess of the insurance cover could, in addition to damaging our Company's reputation, have an adverse effect on our Company's business, cash flows, financial condition and results of operation. Further, an insurance claim once made could lead to an increase in our Company's insurance premium.

In addition, our Company's insurance coverage expires from time to time. Our Company will apply for the renewal of our insurance coverage in the normal course of its business, but our Company cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that our Company suffers loss or damage for which it did not obtain or maintain insurance, and which is not covered by insurance or exceeds our Company's insurance coverage or where its insurance claims are rejected, the loss would have to be borne by our Company and its results of operations, cash flows and financial condition may be adversely affected.

Details of our total insurance coverage *vis-à-vis* our net assets as on September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 is set out below:

(Amount in ₹ millions, unless specified otherwise)

Particulars	As at 6 month period September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Insurance coverage* (A)	2,034.37	1,203.23	505.34	405.10
Net assets** as per Restated Financial Statements (B)	1,835.27	1,645.46	869.37	269.66
Insurance coverage times the net assets (A/B)	1.11	0.73	0.57	1.50

** Insurance coverage = Total insurance coverage amount by considering insurance policies of property, equipments, vehicles, stock, erection and all risk insurance*

***Net assets = Net block of property (excluding land value, capital work in progress & books), plant and equipment (excluding land value, capital work in progress & books) + Inventories.*

36. ***We have availed on lease, the use of a property from which we operate some of our business operations. There can be no assurance that the lease agreements will be renewed upon termination or that we will be able to obtain other premises on lease on the same or similar commercial terms.***

One of the properties through which we carry out our business operations has been leased by us from Avon Engineering, a sole proprietorship of Kantilal Ramanlal Patel, one of our Promoters. For further details of our premises, see '*Our Business - Property*' on page 219. While our lease agreement is valid for a period of 9 years, it is subject to certain conditions and we cannot assure you that we will have the right to occupy, these premises in the future, or that we will be able to continue with the uninterrupted use of these premises. Failure to adhere to the conditions of the lease could require us to relocate our operations, which may impair our operations and adversely affect our financial condition. Further, identification of a new location to house our operations and relocating our business to new premises may place demands on our senior management and other resources and also involve us incurring significant expenditure. Any inability on our part to timely identify a suitable location for a relocated office could have an adverse impact on our business.

37. ***Our failure to identify and understand evolving industry trends and preferences and to develop new solutions to meet our customers' requirements may materially adversely affect our business and results of operations.***

Changes in preferences of customers, regulatory or industry requirements or in competitive technologies may render some of our products obsolete or less attractive. Our ability to anticipate changes in industry trends and to successfully introduce new and, or, enhanced products in a timely manner is a significant factor in our ability to remain competitive. However, there can be no assurance that we will be able to secure the necessary knowledge or ability that will enable us to develop our products to meet the industry trends. If we are unable to obtain such knowledge or ability in a timely manner, or at all, we may be unable to effectively implement our strategies, and our business and results of operations may be adversely affected. Moreover, we cannot assure you that we will be able to achieve such knowledge or skills that may be necessary for us to remain competitive or that some of our products will not become obsolete.

38. ***Regulatory, legislative or self-regulatory developments regarding privacy and data security matters could adversely affect our ability to conduct our business and impact our financial condition.***

Several domestic and international laws and regulations address privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data. These laws, rules, and regulations evolve frequently, and their scope may continually change, through new legislation, amendments to existing legislation, and changes in enforcement. Changes in laws or regulations relating to privacy, data protection, and information security, particularly any new or modified laws or regulations, or changes to the interpretation or enforcement of such laws or regulations, that require enhanced protection of certain types of data or new obligations with regard to data retention, transfer, or disclosure, could increase our operating expenses and have an adverse impact on our financial condition.

As part of our Company's operations, it is required to comply with the Information Technology Act, 2000 and the rules thereof, which provide for civil and criminal liability including compensation, fines, and imprisonment for various offences. These include offences relating to unauthorized access to computer systems, damaging such systems or modifying their contents without authorization, unauthorized disclosure of confidential information and commission of fraudulent acts through computers. In April 2011, the Ministry of Electronics and Information Technology notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (IT Personal Data Protection Rules) under Section 43A of the Information Technology Act, 2000 and again in February 2021 notified the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 (Intermediary Guidelines) under Section 87 of the Information Technology Act, 2000. The IT Personal Data Protection Rules prescribe directions for the collection, disclosure, transfer, and protection of sensitive personal data. The Digital Personal Data Protection Act, 2023 requires companies that collect and deal with high volumes of personal data to fulfil certain additional obligations such as appointment of a data protection officer for grievance redressal. Our Company may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Our Company's failure to adhere to or successfully protect the privacy of our customers could result in legal liability or impairment to our reputation, which could have a material adverse effect on our business, financial condition and results of operations.

39. ***We have contingent liabilities and capital commitments outstanding and if these fully materialise and it could adversely affect our business, results of operations and financial condition.***

The table below sets forth the details of our contingent liabilities and capital commitments as on September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022:

(in ₹ million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Contingent Liabilities				
i. In respect of Sales Tax/VAT/GST	10.11	10.11	-	-
ii. In respect of Others (HR related Matter)	0.45	0.45	0.45	-
Total	**10.56**	**10.56**	**0.45**	**-**
Capital Commitments				
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	166.76	0.50	71.94	266.50

If these contingent liabilities were to fully materialize or materialize at a level higher than we expect, it may materially and adversely impact our business, results of operations and financial condition. Further, if we are not able to execute our Capital Commitments, we may be liable for levy of liquidated damages which could adversely affect our reputation, business, and our financial condition. For further details, see '*Restated Financial Statements - Note 41 - Contingent liabilities and Capital Commitments*' on page 312. Further, we cannot assure you that we will not incur similar or increased levels of contingent liabilities in the future.

40. ***We will not receive any proceeds from the Offer for Sale. The Selling Shareholders will receive the net proceeds from the Offer for Sale.***

The Offer consists of a Fresh Issue and an Offer for Sale. The Offer for Sale comprises up to 7,155,000 Equity Shares aggregating to [●]% of the total Offer size. The Selling Shareholders will be entitled to the net proceeds from the Offer for Sale, which comprises proceeds from the Offer for Sale net of Offer Expenses shared by the Selling Shareholders, and we will not receive any proceeds from the Offer for Sale.

41. ***We have dues which are outstanding to our creditors. Any failure in payment of these dues may have a material adverse effect on our reputation, business and financial condition.***

As of September 30, 2024, our Company had 282 creditors and the aggregate amount due by our Company to these creditors was ₹ 347.88 million, as detailed below:

Types of Creditors	Number of Creditors	Amount involved (in ₹ million)
Micro, Small and Medium Enterprises*	46	28.48
Other creditors	236	319.40
Total	**282**	**347.88**

**As defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended.*

In terms of our Materiality Policy, the list of creditors 'material' to whom the amount due is in excess of 5% of the total outstanding dues (that is, trade payables) of the Company as on September 30, 2024 is set out below:

Particulars	Number of Creditors	Amount involved (in ₹ million)
Material Creditors	2	49.46

Any failure to make payments to our creditors in a timely manner in accordance with the terms and conditions of the agreements or purchase orders with them, or at all, may lead to our creditors not providing us with materials in future or to disassociate their relationship with us. In addition, delay or failure in payment of dues to our creditors may also result in creditors initiating legal proceedings against us. All these factors may have a material adverse effect on our reputation, business and financial condition.

42. ***Our Company has not paid dividends in the last 3 Fiscals and up to the date of this Draft Red Herring Prospectus. Further, there cannot be any assurance that our Company will be in a position to pay dividends in the future.***

Our Company has not declared dividends during the period from April 1, 2024 till the date of this Draft Red Herring Prospectus, and during Fiscal 2024, Fiscal 2023 and Fiscal 2022. Further, our Company's ability to pay dividends in the future will depend upon a variety of factors, including our profitability, general financial conditions, capital requirements, results of operations, contractual obligations including terms and conditions of the financing agreements executed by our Company with lenders, overall financial position, applicable Indian legal restrictions, our Company's Articles of Association, and other factors considered relevant by the Board of Directors of our Company. Further, our Promoters and Promoter Group will continue to hold a substantial portion of our post-Offer paid-up Equity Share capital and may have a significant ability to control the payment and/or the rate of dividends. Therefore, our Company cannot assure you that it will be able to declare dividends, of any particular amount or with any frequency in the future. For further details, see the '*Dividend Policy'* at page 260.

43. ***The objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution and are based on management estimates.***

Our funding requirements and proposed deployment of Net Proceeds as set out in the section '*Objects of the Offer*' at page 101 are based on management estimates and have not been appraised by any bank or financial institution. Our funding requirements are based on our current business plan and may vary based on various factors including macro-economic and other changes. In view of the dynamic nature of the industry in which we operate, we may have to revise our business plan from time to time and, consequently, the funding requirement and the utilization of proceeds from the Offer may also change. This may also include rescheduling the proposed utilization of the Offer Proceeds at the discretion of our management without obtaining Shareholders' approval. We may make necessary changes to utilisation of the Offer Proceeds in compliance with the provisions of the Companies Act. In the event of any variation in actual utilization of the Offer Proceeds, any increased fund deployment for a particular activity may be met from funds earmarked from any other activity and, or, from our internal accruals. Further, any such revision in the estimates may require us to revise our projected expenditure which may have a bearing on our profitability.

44. ***Any variation in the utilisation of proceeds from the Fresh Issue shall be subject to applicable law.***

The funding requirements and the deployment of the proceeds from the Fresh Issue are based on the current business plan, current conditions, internal management estimates and strategy of our Company, which may be subject to changes. Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of Net Proceeds. Various risks and uncertainties, such as economic trends and business requirements, competitive landscape, as well as general factors affecting our results of operations, financial condition and access to capital, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. Thus, the use of the Net Proceeds for the purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

Further, in accordance with Sections 13(8) and 27 of the Companies Act 2013, we cannot undertake any variation in the utilisation of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations. However, we will have flexibility in utilizing the balance Net Proceeds, if any, for general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds from the Fresh Issue in accordance with Regulation 7(2) of the SEBI ICDR Regulations.

Additionally, our Promoters would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by applicable SEBI regulations. Additionally, the requirement on the Promoters to provide an exit opportunity to such dissenting shareholders may deter the Promoters from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI. In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

Thus, we may not be able to utilise the proceeds from the Fresh Issue in this Offer in the manner set out in this Draft Red Herring Prospectus in a timely manner or at all. As a consequence of any increased expenditure, the actual deployment of funds may be higher than estimated. There is no assurance that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment.

45. ***This Draft Red Herring Prospectus contains information from an industry report prepared by CARE which we have commissioned and paid for.***

This Draft Red Herring Prospectus includes industry related information that is derived from the CARE Report, prepared by CARE, a research house, pursuant to an engagement with our Company. CARE has advised that while it has taken due care and caution in preparing the commissioned report, which is based on information obtained from sources that it considers reliable (**Information**), it does not guarantee the accuracy, adequacy or completeness of the Information and disclaims responsibility for any errors or omissions in the Information or for the results obtained from the use of the Information. The CARE Report also highlights certain industry and market data, which may be subject to estimates and, or, assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such estimates and, or, assumptions may change based on various factors. We cannot assure you that CARE's estimates and, or, assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Additionally, some of the data and information in the CARE Report are also based on discussions / conversations with industry sources. Industry sources and publications are also prepared based on information as of specific dates and may not be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Further, the CARE Report is not a recommendation to invest or disinvest in our Company. CARE has disclaimed all financial liability in case of any loss suffered on account of reliance on any information contained in the CARE Report.

46. ***Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, CAGR of EBITDA, EBITDA margin, return on capital employed, profit after tax margin, debtors' turnover ratio, inventory turnover ratio, debt service coverage ratio and interest coverage ratio have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.***

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance including EBITDA, CAGR of EBITDA, EBITDA margin, return on capital employed, profit after tax margin, debtors' turnover ratio, inventory turnover ratio, debt service coverage ratio and interest coverage ratio have been included in this Draft Red Herring Prospectus. These non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. These non-GAAP financial measures and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

External Risk Factors

47. ***The Equity Shares have never been publicly traded, and the Offer may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, there will be liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Offer. The market price of the Equity Shares after the Offer can be volatile as a result of several factors beyond our control, including volatility in the Indian and global securities markets, our results of operations, the performance of our competitors, developments in the Indian and global API intermediates and speciality chemicals industry, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalisation and deregulation policies, and significant developments in India's fiscal regulations. In addition, the Stock Exchanges may experience significant price and volume fluctuations, which may have a material adverse effect on the market price of the Equity Shares. General or industry specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance may also affect the price of the Equity Shares. In particular, the stock market as a whole in the past has experienced extreme price and volume fluctuations that have affected the market price of many companies in ways that may have been unrelated to the companies' operating performances. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

48. ***The requirements of being a publicly listed company may strain our resources.***

Our Company is not a publicly listed company and has not, historically, been subjected to the increased scrutiny of affairs by our shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations, which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and, or, we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition.

49. ***Any further issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge, or encumber their Equity Shares in the future.

50. ***Sale of Equity Shares by our Promoters in future may adversely affect the market price of the Equity Shares.***

After the completion of the Offer, our Promoters will still own a significant percentage of our issued Equity Shares. Sale of a large number of the Equity Shares by our Promoters could adversely affect the market price of the Equity Shares. Similarly, the perception that any such primary or secondary sale may occur, could adversely affect the market price of the Equity Shares. No assurance may be given that our Promoters will not dispose of, pledge, or encumber their Equity Shares in the future.

51. ***There are restrictions on daily movements in the trading price of the Equity Shares, which may adversely affect a shareholder's ability to sell Equity Shares or the price at which Equity Shares can be sold at a particular point in time***.

Following the Offer, our listed Equity Shares will be subject to a daily "circuit breaker" imposed on listed companies by the Stock Exchanges, which does not allow transactions beyond certain volatility in the trading price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian Stock Exchanges. The percentage limit on the Equity Shares' circuit breaker will be set by the Stock Exchanges based on historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges are not required to inform our Company of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the trading price of the Equity Shares beyond the circuit breaker limit set by the Stock Exchanges. As a result of this circuit breaker, we cannot give you any assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

52. ***The determination of the Price Band and Offer Price is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the BRLM is below the respective issue price.***

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the BRLM. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLM through the Book Building Process. These will be based on numerous factors, including factors as described under '*Basis for the Offer Price*' on page 111 and may not be indicative of the market price for the Equity Shares after the Offer. In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLM is below their respective issue price. For further details, see '*Other Regulatory and Statutory Disclosures - Price information of past issues handled by the BRLM*' on page 418. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, our financial performance and results post-listing, and other factors beyond our control. We cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

53. ***There is no guarantee that our Equity Shares will be listed on the BSE and the NSE in a timely manner or at all.***

There is no guarantee that our Equity Shares will be listed on the BSE and the NSE in a timely manner or at all. In accordance with Indian law, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the BSE and the NSE within such time as mandated under

UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

54. ***You may not be able to immediately sell any of the Equity Shares you subscribe to in this Offer on an Indian Stock Exchange.***

The Equity Shares are proposed to be listed on the Stock Exchanges. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and commence trading, including the crediting of the investor's demat accounts within the timeline specified under applicable law. Further, in accordance with Indian law, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. The Allotment of Equity Shares in the Offer and the credit of Equity Shares to the investor's demat account with the relevant depository participant and listing is expected to be completed within the period as may be prescribed under applicable law. Any failure or delay in obtaining the approvals or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the prescribed time periods or at all, which could restrict your ability to dispose of the Equity Shares.

55. ***A slowdown in economic growth in India could adversely affect our business.***

The structure of the Indian economy has undergone considerable changes in the last decade. These include increasing importance of external trade and of external capital flows. Any slowdown in the growth of the Indian economy or information and technology sector or any future volatility in global process could adversely affect our business, financial condition and results of operations. India's economy could be adversely affected by a general rise in interest rates, fluctuations in currency exchange rates, adverse conditions affecting commodity and electricity prices or various other factors. Further, conditions outside India, such as slowdowns in the economic growth of other countries, could have an impact on the growth of the Indian economy and government policy may change in response to such conditions. The Indian economy and financial markets are also significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States, France, Europe or China or Asian emerging market countries, may have an impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss of investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets, and could have an adverse effect on our business, financial condition and results of operations and the price of the Equity Shares.

56. ***Increasing employee compensation in India may erode some of our competitive advantage and may reduce our profit margins, which may have a material adverse effect on our business, financial condition, cash flows and results of operations.***

Employee compensation in India has historically been significantly lower than employee compensation in the United States and Western Europe for comparably skilled professionals. However, compensation increases in India may erode some of this competitive advantage and may negatively affect our profit margins. Employee compensation in India is increasing at a faster rate than in the United States and Western Europe, which could result in increased costs relating to managers and other mid-level professionals. We may need to continue to increase the levels of our employee compensation to remain competitive and manage attrition. Compensation increases may have an adverse effect on our business, financial condition, cash flows and results of operations.

57. ***Adverse geopolitical conditions such as an increased tension between India and its neighbouring countries, Russia-Ukraine conflict, could adversely affect our business, results of operations and financial condition.***

Adverse geopolitical conditions such as increased tensions between India and its neighbouring countries, resulting in any military conflict in the region could adversely affect our business and operations. Such events may lead to countries including the Government of India imposing restrictions on the import or export of our products, among others. We could also be affected by the introduction of or increase in the levy of import tariffs in India, or in the countries to which we export our products to, or changes in trade agreements between countries. For instance, the government of India has imposed additional tariffs in the nature of countervailing duty and anti-dumping duty on a number of items imported from China. Any such measure which affects our supply of solutions offering or reciprocal duties imposed on Indian services by China or other countries may adversely affect our results of operations and financial condition. Further, prolonged Russia-Ukraine conflict that is currently impacting, *inter alia*, global trade, prices of oil and gas and could have an inflationary impact on the Indian economy.

58. ***Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

While we are incorporated in India, and our operations are based in India, we cater to a number of overseas customers. As a result, we are highly dependent on prevailing economic conditions in India and other economies, and our results of operations and cash flows are significantly affected by factors influencing the Indian and global economies. Factors that may adversely affect the economy, and hence our results of operations and cash flows, may include:

a. high rates of inflation in India and in countries where our customers are based could increase our costs without proportionately increasing our revenue, and as such decrease our operating margins;

b. any slowdown in economic growth or financial instability in India and in countries our customers are based;

c. any scarcity of credit or other financing, resulting in an adverse impact on economic conditions and scarcity of financing for our expansions;

d. prevailing income conditions among customers and corporates;

e. volatility in, and actual or perceived trends in trading activity on, the relevant market's principal stock exchanges;

f. changes in existing laws and regulations in India and in countries where our customers are based;

g. political instability, terrorism or military conflict in the region or globally, including in various neighbouring countries;

h. occurrence of natural or man-made disasters;

i. any downgrading of debt rating of India by a domestic or international rating agency; and

j. instability in financial markets.

59. ***Governmental actions and changes in policy could adversely affect our business.***

The Government of India and the State Governments in India have broad powers to affect the Indian economy and our business in numerous ways. Additionally, we operate our business in several countries and any change in policies in such countries may affect our business. Any change in the existing policies of Government of India and, or, State Government, or foreign government policies, or new policies affecting the economy of India or any foreign country, where we operate our business, could adversely affect our business operations. Moreover, we also cannot assure you that the Central Government or State Governments in India, or foreign government in countries where we operate will not implement new regulations and policies which will require us to obtain additional approvals and licenses from the Government and other regulatory bodies or impose onerous requirements and conditions on our operations. We cannot predict the terms of any new policy, and we cannot assure you that such policy will not be onerous. Such new policy may also adversely affect our business, cash flows, financial condition and prospects.

60. ***We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.***

The Competition Act, 2002, of India, as amended (**Competition Act**) regulates practices having an appreciable adverse effect on competition (**AAEC**) in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and results in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, shares the market by way of geographical area or number of guests in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC in the relevant market in India and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Government issued and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (**CCI**). Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India. The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are currently not a party to an outstanding proceeding, nor have we received any notice in relation to non-compliance with the Competition Act and the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations and prospects.

61. ***A downgrade in ratings of India, may affect the trading price of the Equity Shares.***

Our Company's borrowing costs and our Company's access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating is Baa3 with a 'stable' outlook (Moody's), BBB– with a 'stable' outlook (S&P) and BBB- with a 'negative' outlook (Fitch). Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our Company's ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our Company's ability to fund our Company's growth on favourable terms or at all, and consequently adversely affect our Company's business and financial performance and the price of our Equity Shares.

62. ***The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

63. ***Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the Restated Financial Statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Red Herring Prospectus***

We have not attempted to quantify the impact of U.S. GAAP or any other system of accounting principles on the financial data, prepared and presented in accordance with Ind AS for 6 months ended September 30, 2024, Fiscal 2024, Fiscal 2023, and Fiscal 2022 included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or any other accounting principles. U.S. GAAP differs in significant respects from Ind AS. Accordingly, the degree to which the Restated Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS and SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Prospectus should accordingly be limited. Additionally, Ind AS differs in certain respects from IFRS and therefore financial statements prepared under Ind AS may be substantially different from financial statements prepared under IFRS.

64. ***Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

65. ***Financial difficulty and other problems in certain financial institutions in India could have a material adverse effect on our business, results of operations, future cash flows and financial condition.***

Indian financial system may be affected by financial difficulties faced by all or some of the Indian financial institutions whose commercial soundness may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is sometimes referred to as 'systemic risk', may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and adversely affect our business.

66. ***Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. The Income Tax Act levies taxes on such long-term capital gains exceeding ₹ 0.10 million arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018, on such equity shares subject to specific conditions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of a securities transaction tax (**STT**), on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of Equity Shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempted from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

67. ***Investors may have difficulty enforcing foreign judgments against us or our management.***

We are incorporated under the laws of India and all our Directors and Key Managerial Personnel reside in India. A majority of our assets, and the assets of our Directors and officers, are also located in India. Where investors wish to enforce foreign judgments in India, they may face difficulties in enforcing such judgments. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. In order to be enforceable, a judgment obtained in a jurisdiction which India recognises as a reciprocating territory must meet certain requirements of the Code of Civil Procedure, 1908, of India (**Civil Code**). Further, the Civil Code only permits enforcement of monetary decrees not being in the nature of any amounts payable in respect of taxes or, other charges of a like nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards. Judgments or decrees from jurisdictions not recognised as a reciprocating territory by India cannot be enforced or executed in India. Even if a party were to obtain a judgment in such a jurisdiction, it would be required to institute a fresh suit upon the judgment and would not be able to enforce such judgment by proceedings in execution. Further, the party which has obtained such judgment must institute the new proceedings within three years of obtaining the judgement. As a result, you may be unable to: (i) effect service of process outside of India upon us and such other persons or entities; or (ii) enforce in courts outside of India judgments obtained in such courts against us and such other persons or entities. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI to repatriate any amount recovered pursuant to the execution of such foreign judgment, and any such amount may be subject to income tax in accordance with applicable laws.

68. ***Financial instability, economic developments and volatility in securities markets in other countries may also cause the price of the Equity Shares to decline.***

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. For instance, the economic downturn in the U.S. and several European countries during a part of Fiscals 2008 and 2009 adversely affected market prices in the global securities markets, including India. The collapse of the Silicon Valley Bank during Fiscal 2024 also caused economic downturn. In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. Further, negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity, and the price of the Equity Shares.

69. ***Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely impact the trading price of the Equity Shares.***

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. In addition, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all. For further details, see '*Restrictions on Foreign Ownership of Indian Securities*' on page 455. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT and the FEMA Rules, any investment, subscription, purchase or sale of equity instruments by entities, investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms, in a timely manner or at all.

70. ***Our ability to raise foreign capital may be constrained by Indian law.***

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition, and results of operations.

71. ***If security or industry analysts do not publish research or publish unfavourable or inaccurate research about the business of our Company, the price and trading volume of the Equity Shares may decline.***

The trading market for the Equity Shares may depend, in part, on the research and reports that securities or industry analysts publish about us or our business. We may be unable to sustain coverage by established and, or, prominent securities and industry analysts. If either none or only a limited number of securities or industry analysts maintain coverage of our Company, or if these securities or industry analysts are not widely respected within the general investment community, the trading price for our Equity Shares would be negatively impacted. In the event we obtain securities or industry analyst coverage, if one or more of the analysts downgrade our Equity Shares or publish inaccurate or unfavourable research about our business, our Equity Shares price may decline. If one or more of these analysts cease coverage of our Company or fail to publish reports on us regularly, demand for our Equity Shares could decrease, which might cause the price and trading volume of our Equity Shares to decline.

72. ***Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.***

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in our Company may be reduced.

73. ***QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within 3 Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

74. ***A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.***

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the SEBI Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted.

75. ***The Offer Price, market capitalisation to total income multiple, market capitalisation to earnings multiple, price to earnings ratio and enterprise value to EBITDA ratio based on the Offer Price of our Company, may not be indicative of the market price of the Equity Shares on listing.***

Our total income, EBITDA, and profit for the period for Fiscal 2024 was ₹ 1,380.66 million, ₹ 522.90 million and ₹ 234.09 million, respectively. Our enterprise value to EBITDA ratio (based on EBITDA for Fiscal 2024) is [●]. Our market capitalisation to total income multiple, market capitalisation to earnings multiple, price to earnings ratio and enterprise value to EBITDA ratio based on the Offer Price of our Company are set out below:

Market capitalisation (based on the Offer Price) to total income (Fiscal 2024) multiple	[●] times
Market capitalisation (based on the Offer Price) to earnings (Fiscal 2024) multiple	[●] times
Price earnings ratio (based on EBITDA for Fiscal 2024) at the upper end of the Price Band	[●]
Price to earnings ratio (based on profit for the year for Fiscal 2024) at the upper end of the Price Band	[●]

The Offer Price will be determined by our Company in consultation with BRLM based on various factors and assumptions. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLM through the Book Building Process, and will be based on numerous factors, including factors as described under '*Basis for the Offer Price*' beginning on page 111 and may not be indicative of the market price for the Equity Shares after the Offer. Accordingly, the Offer Price, multiples and ratio may not be indicative of the market price of the Equity Shares on listing or thereafter. The factors that could affect the market price of the Equity Shares include, among other, broad market trends, our financial performance and results post-listing, and other factors beyond our Company's control. Our Company cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

76. ***Our Company may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (ASM) and Graded Surveillance Measures (GSM) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors, once the Equity Shares of our Company are listed.***

The Equity Shares of our Company may be subject to general market conditions which may include significant price and volume fluctuations, once the Equity Shares of our Company are listed. The price of the Equity Shares may fluctuate after the Offer due to several factors such as volatility in the Indian and global securities market, our performance and profitability, or any other political or economic factor. The occurrence of these factors may lead to the surveillance measures stipulated by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework being triggered in relation to the Equity Shares. If the Equity Shares are covered under such surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of the

Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of the Equity Shares or may in general cause disruptions in the development of an active trading market for the Equity Shares.

SECTION III: INTRODUCTION

THE OFFER

The following table summarizes details of the Offer and should be read in conjunction with, and is qualified in its entirety by, more detailed information in the section '*Terms of the Offer*' on page 423:

Offer of Equity Shares[(1)]	Up to [●] Equity Shares of face value ₹ 10 each, aggregating up to ₹ [●] million
which includes:	
Fresh Issue[(1)]	Up to [●] Equity Shares of face value ₹ 10 each, aggregating up to ₹ 1,900 million
Offer for Sale[(2)]	Up to 7,155,000 Equity Shares of face value ₹ 10 each, aggregating up to ₹ [●] million
The Offer comprises of:	
A) QIB Portion[(3)(4)]	Not more than [●] Equity Shares of face value ₹ 10 each
***of which*:**	
(i) **Anchor Investor Portion**[(3)]	Up to [●] Equity Shares of face value ₹ 10 each
(ii) **Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)**	Up to [●] Equity Shares of face value ₹ 10 each
of which:	
(a) **Available for allocation to Mutual Funds only (5% of the Net QIB Portion)**	[●] Equity Shares of face value ₹ 10 each
(b) **Balance for all QIBs including Mutual Funds**	[●] Equity Shares of face value ₹ 10 each
B) Non-Institutional Portion[(5)]	Not less than [●] Equity Shares of face value ₹ 10 each
of which:	
(i) **One-third of the Non-Institutional Portion reserved for applicants with an application size of more than ₹0.20 million and up to ₹1.00 million**	Up to [●] Equity Shares of face value ₹ 10 each
(ii) **Two-third of the Non-Institutional Portion reserved for applicants with an application size of more than ₹1.00 million**	Up to [●] Equity Shares of face value ₹ 10 each
C) Retail Portion [(4)]	Not less than [●] Equity Shares of face value ₹ 10 each
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus)	76,540,230 Equity Shares of face value ₹ 10 each
Equity Shares outstanding after the Offer	[●] Equity Shares of face value ₹ 10 each
Use of Net Proceeds	See '*Objects of the Offer*' on page 101 for information on the use of Net Proceeds arising from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

[(1)] *The Offer has been authorised by our Board pursuant to the resolution passed at its meeting dated March 5, 2025, and the Fresh Issue has been authorised by our Shareholders pursuant to a special resolution passed at their meeting dated March 6, 2025. Further, our Board has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholders pursuant to the resolution passed at its meeting dated March 5, 2025.*

[(2)] *Each Promoter Selling Shareholder severally and not jointly confirm that the Equity Shares being offered by the Promoter Selling Shareholders are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8 of the SEBI*

ICDR Regulations. Each Selling Shareholder has, severally and not jointly, consented for the sale of their respective portion of the Offered Shares in the Offer for Sale. Our Board of Directors has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholders pursuant to the resolution passed at its meeting dated March 5, 2025.

Sr. No.	Name of the Selling Shareholder	Consent Letters	Maximum number of Offered Shares
1	Kantilal Ramanlal Patel	March 5, 2025	3,577,500
2	Manisha Bipin Patel	March 5, 2025	3,577,500

(3) *Our Company in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see 'Offer Procedure' on page 435.*

(4) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, subject to applicable law. Undersubscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. In the event of under-subscription in the Offer, Allotment of valid Bids will be made in the first instance towards subscription of 90% of the Fresh Issue (**Minimum Subscription**), provided that post satisfaction of the Minimum Subscription and compliance with Rule 19(2)(b) of the SCRR, subject to receipt of any remaining valid Bids, Equity Shares will be Allotted (a) in priority towards the balance Fresh Issue; and (b) in respect of the Offered Shares pursuant to the Offer for Sale on a pro-rata basis in a manner proportionate to the respective portion of the Offered Shares of each Selling Shareholder. For further details, see 'Offer Procedure' on page 435.*

(5) *Not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors of which (i) one-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1 million; and (ii) two third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 1 million provided that under-subscription in either of these two sub-categories of Non-Institutional Category specified in (i) and (ii), may be allocated to Bidders in the other sub-category of Non-Institutional Portion and not less than 35% of the Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. The allocation to each Non-Institutional Investor and RIBs shall not be less than the minimum Non-Institutional Portion RIB portion respectively, and the remaining available equity shares, if any, shall be allocated on a proportioned basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.*

For further details, including in relation to grounds for rejection of Bids, see '*Offer Structure*' and '*Offer Procedure*' on pages 430 and 435, respectively. For further details of the terms of the Offer, see '*Terms of the Offer*' on page 423.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from our Restated Financial Statements. The information presented below may differ in certain significant respects from financial statements prepared in accordance with generally accepted accounting principles in other countries, including IFRS. For details, see 'Risk Factor – Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, CAGR of EBITDA, EBITDA margin, return on capital employed, profit after tax margin, debtors' turnover ratio, inventory turnover ratio, debt service coverage ratio and interest coverage ratio have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.' on page 60. The summary financial information presented below should be read in conjunction with 'Restated Financial Statements', and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 261 and 360, respectively.

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(*Amount in million*)

	Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	ASSETS				
	1 Non- Current Assets				
	(a) Property, Plant and Equipment	1,450.17	1,445.25	745.91	188.23
	(b) Capital Work - in - Progress	105.92	121.55	540.69	382.91
	(c) Investment Property	-	-	-	-
	(d) Intangible Assets	0.56	0.70	1.16	-
	(e) Right of Use Assets	7.39	7.55	7.88	8.21
	(f) Financial Assets				
	(i) Investments	-	-	-	-
	(ii) Others Financial Assets	8.21	8.21	4.61	4.61
	(g) Deferred Tax Assets	-	-	-	4.92
	(h) Other Non - Current Assets	-	-	-	-
	Total Non - Current Assets	**1,572.25**	**1,583.27**	**1,300.26**	**588.87**
	2 Current assets				
	(a) Inventories	447.28	262.40	185.68	143.67
	(b) Financial Assets				
	(i) Trade Receivables	387.47	276.40	197.35	256.68
	(ii) Cash and Cash Equivalents	1.80	1.75	2.19	0.36
	(iii) Bank Balances other than Cash and Cash Equivalents	-	-	-	-
	(iv) Loans & Advances	1.03	1.06	1.03	0.99
	(v) Other Financial Assets	2.83	0.43	0.11	0.08
	(c) Other Current Assets	50.39	121.19	180.19	249.56
	Total Current Assets	**890.79**	**663.22**	**566.55**	**651.33**
	TOTAL ASSETS	**2,463.04**	**2,246.49**	**1,866.80**	**1,240.21**
	EQUITY AND LIABILITIES				
	A. Equity				
	(a) Equity Share Capital	42.52	42.52	42.52	35.00

	Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	(b) Instruments Entirely Equity in Nature	-	-	-	-
	(c) Other Equity	864.91	756.37	522.40	350.76
	Total Equity	**907.43**	**798.90**	**564.93**	**385.76**
	B. Liabilities				
	1 Non- Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	761.36	803.57	813.37	375.96
	(ii) Lease Liabilities	7.90	7.98	8.20	8.19
	(iii) Other Financial Liabilities	-	-	-	-
	(b) Long Term Provisions	8.57	7.48	5.45	3.68
	(c) Deferred Tax Liabilities	48.74	51.60	15.03	-
	(d) Other Non - Current Liabilities	-	-	-	-
	Total Non - Current Liabilities	**826.57**	**870.64**	**842.04**	**387.83**
	2 Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	307.60	246.09	158.33	119.37
	(ii) Lease Liabilities	0.12	0.12	0.11	0.10
	(iii) Trade Payables				
	(A) total outstanding dues of micro enterprises and small enterprises; and	28.48	30.60	106.58	125.79
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	319.40	228.45	110.51	107.99
	(iv) Other Financial Liabilities	2.39	1.84	1.52	1.29
	(b) Short Term Provisions	7.70	7.27	6.84	5.61
	(c) Liability for Current Tax (Net)	54.00	52.30	65.00	65.50
	(d) Other Current Liabilities	9.35	10.29	10.94	40.96
	Total Current Liabilities	**729.04**	**576.95**	**459.83**	**466.61**
	TOTAL EQUITY AND LIABILITIES	**2,463.04**	**2,246.49**	**1,866.80**	**1,240.21**

RESTATED STATEMENT OF PROFIT AND LOSS

(*Amount in million*)

	Particulars	Six months period ended September 30, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
	INCOME				
	Revenue from Operations	784.48	1,374.21	1,057.19	1,081.01
	Other Income	0.83	6.45	3.07	13.16
	Total **Income**	**785.30**	**1,**380.**66**	**1,060.27**	**1,**094.**17**
	EXPENSES				
	Cost of Materials Consumed	457.74	742.71	633.80	684.12
	Purchases of Traded Goods	-	-	-	-
	Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress	(127.71)	(78.47)	(58.59)	(48.40)
	Employee Benefits Expense	68.39	113.38	97.52	78.97
	Finance Costs	48.25	63.80	18.60	34.45
	Depreciation and Amortization Expense	113.94	142.55	23.65	23.44
	Other Expenses	64.48	73.69	80.04	117.14
	Total Expenses	**625.10**	**1,057.66**	**795.03**	**889.72**
	Restated Profit / (loss) before Exceptional Items and Tax	**160.21**	**323.00**	**265.24**	**204.45**
	Exceptional Item				
	Profit / (loss) before tax	**160.21**	**323.00**	**265.24**	**204.45**
	Tax expense				
	Current Tax	54.00	52.30	65.00	65.50
	Deferred Tax Charge/(Credit)	(2.32)	36.61	20.35	(2.45)
	MAT Credit	(0.39)	-	-	-
	Tax in Respect of Earlier Years	-	-	-	-
	Restated Profit/(Loss) for the year from Continuing Operations	**108.91**	**234.09**	**179.89**	**141.39**
	Other Comprehensive Income				
	(i) Items that will not be Reclassified to Profit or Loss				
	Remeasurements of Net Defined Benefit Plans	(0.53)	(0.12)	(1.41)	-
	Income Tax Relating to Above Items	0.15	0.03	0.41	-
	(ii) Items that will be reclassified to Profit or Loss				
	Difference due to changes in foreign exchange reserves	-	-	-	-
	Restated Other Comprehensive Income for the year, net of tax	**(0.38)**	**(0.08)**	**(1.00)**	**-**
	Restated Total Comprehensive Income for the year	**108.53**	**234.01**	**178.88**	**141.39**
	Earnings per equity share of ₹ 10 each (for continuing operation):				
	Basic EPS (₹)	1.42	3.06	2.36	2.24
	Diluted EPS (₹)	1.42	3.06	2.36	2.24

RESTATED STATEMENT OF CASH FLOW

(*Amount in million*)

	Particulars	Six months period ended September 30, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
	Cash Flow from Operating Activities				
	Restated Profit before exceptional Items and tax as per statement of profit and loss	**160.21**	**323.00**	**265.24**	**204.45**
	Adjustments for:				
	Depreciation and amortization expenses	113.94	142.55	23.65	23.44
	Finance cost	48.25	63.80	18.60	34.45
	Unrealised Foreign Exchange Loss	-	-	-	-
	Sundry Balances written back	-	(0.04)	0.28	-
	Dividend income	-	-	-	-
	MAT Credit	-	-	-	-
	Interest income	(0.29)	(0.36)	(0.12)	(0.31)
	Rent Income	-	-	-	-
	Remeasurements of net defined benefit plans	(0.53)	(0.12)	(1.41)	-
	Gain of Sale of Mutual funds	-	-	-	(1.16)
	(Profit)/ loss on sale of fixed assets (net)	-	(0.03)	-	-
	Operating profit before working capital changes	**321.58**	**528.81**	**306.23**	**260.87**
	Adjustments for:				
	(Increase)/decrease in Trade Receivables	(111.08)	(79.05)	59.33	2.58
	(Increase)/decrease in Inventories	(184.88)	(76.72)	(42.01)	(53.64)
	(Increase)/decrease in Other Non current Financial Assets	-	(3.60)	(0.00)	5.24
	(Increase)/decrease in Other Financial Assets	(2.39)	(0.32)	(0.03)	0.00
	(Increase)/decrease in Other Non Current Assets	-	-	-	-
	(Increase)/decrease in Short Term Loans	0.03	(0.03)	(0.04)	(0.44)
	(Increase)/decrease in Investment	-	-	-	-
	(Increase)/decrease in Other Current Assets	70.80	59.01	69.37	(150.36)
	Increase/(decrease) in Long Term Provisions	1.09	2.03	1.77	3.68
	Increase/(decrease) in Other Non Current Liability	-	-	-	-
	Increase/(decrease) in Trade & other payables	88.84	41.95	(16.69)	74.88
	Increase/(decrease) in Short Term Provisions	0.43	0.43	1.23	2.65
	Increase/(decrease) in Other Current Liabilities	(0.94)	(0.65)	(30.02)	9.73
	Increase/(decrease) in Other Financial Liabilities	0.55	0.32	0.23	0.60
	Increase/(decrease) in Other Long Term Financial Liabilities	-	-	-	-
	Increase/(decrease) in Current Tax Liability	-	-	-	-
		184.02	**472.19**	**349.37**	**155.80**

	Particulars	Six months period ended September 30, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
	Less: Direct taxes paid (net of refunds)	(52.30)	(65.00)	(65.50)	(47.67)
		131.72	**407.19**	**283.87**	**108.13**
	Less: Exceptional Items	-	-	-	-
	Net cash (used in) / generated from operating activities after exceptional items (A)	**131.72**	**407.19**	**283.87**	**108.13**
	Cash Flow from Investing Activities				
	Inflows				
	Sale proceeds / (Purchase) of property, plant and equipment	-	0.52	1.72	-
	Proceeds from Sale of Investments	-	-	-	7.16
	Interest received	0.29	0.36	0.12	0.31
	Rent Income	-	-	-	-
	Additions in ROU Asset	-	-	-	(8.32)
	Dividend received from others	-	-	-	-
	Outflows				
	Purchase of property, plant and equipment/ intangible assets	(102.93)	(422.45)	(741.67)	(367.29)
	Purchase of investments	-	-	-	-
	Net cash (used in) / generated from investing activities (B)	**(102.64)**	**(421.58)**	**(739.83)**	**(368.14)**
	Cash Flow from Financing Activities				
	Inflows				
	Proceeds from issue of Shares	-	-	-	-
	Receipt / Payment of Share application money	-	-	-	50.40
	Outflows				
	Long term borrowings - Received/(Repaid) (Net)	(42.22)	(9.79)	437.40	249.00
	Short term borrowings - Received/(Repaid) (Net)	61.51	87.75	38.96	(13.82)
	Dividend Paid	-	-	-	-
	Increase / Decrease in Lease Liability	(0.08)	(0.21)	0.02	8.29
	Finance Cost	(48.25)	(63.80)	(18.60)	(34.45)
	Net cash (used in) / generated from financing activities (C)	**(29.03)**	**13.95**	**457.79**	**259.41**
	Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)	**0.05**	**(0.44)**	**1.83**	**(0.60)**
	Add : Cash and cash equivalent at beginning of the year	1.75	2.19	0.36	0.96
	Cash and cash equivalent at end of the year	**1.80**	**1.75**	**2.19**	**0.36**
	Cash and Cash equivalent as per above comprises of the following				

	Particulars	Six months period ended September 30, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
	Cash and Cash Equivalents (Refer Note 9)	**1.80**	**1.75**	**2.19**	**0.36**
	Bank Balances Other Than Cash and Cash Equivalents (Refer Note 10)	**-**	**-**	**-**	**-**
	Balances as per Statement of Cash Flows	**1.80**	**1.75**	**2.19**	**0.36**

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GENERAL INFORMATION

Our Company was originally incorporated as 'Allchem Lifescience Private Limited', at Ahmedabad as a private limited company under the provisions of Companies Act, 2013 and received a certificate of incorporation issued by the RoC on January 12, 2017. Thereafter, pursuant to a special resolution passed by the shareholders of our Company in their meeting on September 13, 2024, the name of our Company was changed from 'Allchem Lifescience Private Limited' to 'Allchem Lifescience Limited', and a fresh certificate of incorporation dated October 28, 2024, was issued to our Company by the RoC.

The address and certain details of our Registered and Corporate Office are as follows:

Allchem Lifescience Limited
Block No. 1088/B/P,1088-A,
Lamdapura Road,
Village Manjusar, Tal-Savli,
Vadodara, Gujarat, 391775
Telephone: +91 9574722211
E-mail: investor@allchemlifescience.com
Website: www.allchemlifescience.com

For details in relation to changes in the registered office address of our Company, see *'History and Certain Corporate Matters – Changes in the registered office of our Company'* on page 227.

Company registration number and corporate identity number

The registration number and corporate identity number of our Company are as follows:

Company Registration Number: 095094

Corporate Identity Number: U24299GJ2017PLC095094

Registrar of Companies

Our Company is registered with the RoC, Gujarat at Ahmedabad, situated at the following address:

Address of the RoC
ROC Bhavan,
Opp. Rural Park, Ankur Char Rasta,
Naranpura, Ahmedabad - 380013
Gujarat, India.

Board of Directors

Brief details of our Board of Directors as on the date of this Draft Red Herring Prospectus is set out below:

Name	Designation	DIN	Address
Bipin Patel	Chairman and Managing Director	03386173	A-31 Nageshwar Society, Near Manek Park, VIP Road, Vadodara, Gujarat-390022
Kantilal Ramanlal Patel	Whole-Time Director	07691463	A-31 Nageshwar Society, Near Manek Park, Karelibaug VIP Road, Vadodara, Gujarat-390022
Aditi Patel	Whole-Time Director	10725175	A-31 Nageshwar Society, Near Manek Park, Karelibaug VIP Road, Vadodara, Gujarat-390022
Lavina Bharatkumar Chhugani	Independent Director	10875948	B-9 Laxmi Park Society, B/h old R.T.O office warasiya, Vadodara, Vadodara-390006, Gujarat, India

Name	Designation	DIN	Address
Hemang Mehta	Independent Director	01584577	203 Viceroy Image Flats, 17 Bhakti Nagar Society, B/H ABS Towers, old Padra Road, Vadodara, Gujarat-390007
Rajnikanth Chimanlal Diwan	Independent Director	10062916	B-504 Empire Residency, Opp. Nandini-3, VIP Road, Surat-395007, India.

For brief profiles and further details of our Directors, see *'Our Management'* on page 233.

Company Secretary and Compliance Officer

Jigardan Gadhvi is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Block No. 1088/B/P, 1088-A,
Lamdapura Road, Village Manjusar,
Tal-Savli, Vadodara, Vadodara – 391 775
Gujarat, India
Telephone: +91-9574722211
E-mail: investor@allchemlifescience.com

Investor Grievances

Investors can contact our Company Secretary and Compliance Officer, or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode etc.

For all Offer related queries and for redressal of complaints, investors may also write to the BRLM. All Offer related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediaries to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders using the UPI Mechanism. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

In terms of the SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable), any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. In terms of the SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), SCSBs are required to compensate the investor immediately on the receipt of complaint. Further, the BRLM is required to compensate the investor for delays in grievance redressal from the date on which the grievance was received until the actual date of unblock.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, name and address of the BRLM, unique transaction reference number, the name of the relevant bank, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLM where the Bid cum Application Form was submitted by the Anchor Investor.

Book Running Lead Manager

Emkay Global Financial Services Limited
The Ruby, 7th Floor, Senapati Bapat Marg,
Dadar (West), Mumbai - 400028.
Maharashtra, India.
Tel: +91 22 66121212
E-mail: allchem.ipo@emkayglobal.com
Investor grievance e-mail: ibg@emkayglobal.com
Website: www.emkayglobal.com
Contact Person: Pranav Nagar / Pooja Sarvankar
SEBI Registration No.: INM000011229

Statement of inter se allocation of responsibilities

Emkay Global Financial Services Limited is the sole Book Running Lead Manager to the Offer and all the responsibilities relating to co-ordination and other activities in relation to the Offer shall be performed by them.

Syndicate Members

[●]

Legal Counsel to the Offer

Bharucha & Partners

13th Floor, Free Press House,
Free Press Journal Marg, Nariman Point
Mumbai – 400 001
Telephone +91 22 2289 9300

Statutory Auditors of our Company

Name of the Firm: Talati and Talati LLP, Chartered Accountants

1006, Ocean, Sarabhai Road,
Near Genda Circle, Vadodara - 390 023
Gujarat, India
Telephone: 0265-2355053/73, 99249 35053
Email: baroda@talatiandtalati.com
Firm Registration Number: 110758W/W100377
Peer Review Number: 015841
Contact Person: CA Manish A. Baxi, Designated Partner

Changes in auditors-

There has been no change in the Statutory Auditors of our Company during the last 3 years preceding from the date of this Draft Red Herring Prospectus.

Registrar to the Offer

MUFG Intime India Private Limited ***(formerly Link intime India Private Limited)***
C-101, 247 Park, 1st Floor, L B S Marg,
Vikhroli (West), Mumbai - 400 083
Maharashtra, India
Telephone: +91 810 811 4949

E-mail: allchemlifescience.ipo@in.mpms.mufg.com
Website: www.linkintime.co.in
Investor grievance e-mail: allchemlifescience.ipo@in.mpms.mufg.com
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Banker(s) to the Offer

Escrow Collection Bank(s)

[●]

Refund Bank(s)

[●]

Public Offer Account Bank(s)

[●]

Sponsor Banks

[●]

Bankers to our Company

Citi Bank N. A.
Unit 407, 4th Floor, Baroda Crossway,
Jail Road, Nr. Shiv Shakti Circle,
Anandpura Vadodara-390001
Telephone: 0265-6962001
Email: Arpan.goel@citi.com
Website: www.citibank.co.in
Contact Person: Arpan Goel

State Bank of India
Specialised Commercial Branch, 2nd Flooor,
Trident Complex, Opp Geri, Near Race Course,
Vadodara - 390 007
Telephone: +91 9099157198
Email: sbi.04086@sbi.co.in
Website: www.onlinesbi.sbi
Contact Person: Sanket Solanki

HDFC Bank Limited
HDFC Bank Ltd. "The Baroda Cross Way",
3rd Floor, Office No. 309, Akota-Dandia Bazaar Road,
Vadodara - 390 001
Telephone: 9016350005
Email: chirag.pitaliya@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Chirag Pitaliya

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which an ASBA

Bidder (other than UPI Bidders using the UPI Mechanism), not bidding through Syndicate/ Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or at such other websites as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIIs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time or any such other website as may be prescribed by SEBI from time to time.

SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), UPI Bidders using the UPI Mechanism may only apply through the SCSBs and mobile applications whose names appears on the website of the SEBI, which may be updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI Mechanism is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for SCSBs and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 for mobile applications or at such other websites as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms from Bidders at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Expert

Except as stated below, our Company has not obtained any expert opinion:

Our Company has received written consent dated March 13, 2025, from our Statutory Auditors namely, M/s Talati & Talati LLP, Chartered Accountants, holding a valid peer review certificate from ICAI to include their name as 'expert' as required under Section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditors, and in respect of their examination report dated March 3, 2025, on our Restated Financial Statements; and the statement of special tax benefits dated March 13, 2025, included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Our Company has received written consent dated March 10, 2025 from A.Y. Chippa, Independent Chartered Engineer, to include his name as an 'expert' as defined under Section 2(38) of the Companies Act to the extent and in his capacity as Independent Chartered Engineer in respect of the certificate dated March 10, 2025 issued by him in connection with, *inter-alia*, production capacity, actual production, and capacity utilisation of our Company and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Monitoring Agency

Our Company shall in compliance with Regulation 41 of SEBI ICDR Regulations, appoint a Monitoring Agency, prior to filing of the Red Herring Prospectus with the RoC, for monitoring the utilisation of the Gross Proceeds from the Fresh Issue. For details in relation to the proposed utilisation of the Net Proceeds, see *'Objects of the Offer'* on page 101.

Credit Rating

As this is an Offer consisting only of Equity Shares, there is no requirement to obtain credit rating for the Offer.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Grading of the Offer

No credit agency registered with SEBI has been appointed in respect of obtaining grading for this Offer.

Debenture Trustee

As this is an Offer consisting only of Equity Shares, the appointment of trustees is not required.

Appraising Entity

None of the objects of the Offer for which Offer Proceeds will be utilized have been appraised by an agency. Accordingly, no appraising entity has been appointed for the Offer.

Filing of DRHP

A copy of this Draft Red Herring Prospectus is being filed electronically through the SEBI Intermediary Portal at https://siportal.sebi.gov.in/intermediary/index.html, as required under Regulation 25(8) of the SEBI ICDR Regulations and in accordance with SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023.

It will also be filed with Securities and Exchange Board of India at:

Securities and Exchange Board of India
Corporation Finance Department
Division of Issues and Listing
SEBI Bhavan, Plot No. C4-A,
'G' Block, Bandra Kurla Complex, Bandra (East),
Mumbai 400 051,
Maharashtra, India.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act will be filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act will be filed with the RoC, through the electronic portal at www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band which will be decided by our Company, in consultation with the BRLM, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper) and all editions of [●] (a widely circulated Gujarati national daily newspaper, Gujarati also being the regional language of Gujarat, where our Registered Office is located), at least 2 Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Offer Price shall be determined by our Company in consultation with the BRLM after the Bid/Offer Closing Date. For further details, see '*Offer Procedure*' on page 435.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs and Sponsor Bank, as the case may be. UPI Bidders may participate in the Offer through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs; or (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to the Anchor Investors will be on a discretionary basis, while allocation to QIBs (other than Anchor Investors) will be on a proportionate basis.

For further details on the method and procedure for Bidding and book building procedure, see '*Terms of the Offer*, '*Offer Structure*' and '*Offer Procedure*' on pages 423, 430 and 435 respectively.

The Book Building Process under the SEBI ICDR Regulations and the Bidding process are subject to change from time to time. Investors are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Bidders should note the Offer is also subject to: (i) obtaining final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) filing of Prospectus with the RoC.

Each Bidder, by submitting a Bid in the Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.

Underwriting Agreement

In terms of Regulation 40(3)(b), after the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Promoter Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be issued through the Offer. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares which they shall subscribe to on account of rejection of bids, either by themselves or by procuring subscription, at a price which shall not be less than the Offer Price, pursuant to the Underwriting Agreement:

(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC.).

Name, address, telephone number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (in ₹ million)
[●]	[●]	[●]

The abovementioned underwriting commitment is indicative only and will be finalised after determination of Offer Price and finalisation of Basis of Allotment but prior to filing the Prospectus with the RoC and subject to Regulation 40(3)(b) of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations made to our Company by the Underwriters), the resources of each of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered as merchant bankers with SEBI under Section 12(1) of the SEBI Act or as stock brokers with Stock Exchanges. Our Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as of the date of this Draft Red Herring Prospectus is set forth below:

(in ₹ million, except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Offer Price#
A	**AUTHORIZED SHARE CAPITAL^**		
	90,000,000 Equity Shares of face value of ₹ 10 each	900.00	-
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	76,540,230 Equity Shares of face value of ₹ 10 each	765.40	-
C	**PRESENT OFFER**		
	Offer of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million(1)(2)(3)	[●]	[●]*
	Of which:		
	Fresh Issue of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 1,900.00 million(1)	[●]	[●]
	Offer for Sale of up to 7,155,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million (2)	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER#**		
	[●] Equity Shares of face value ₹ 10 each*	[●]	-
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		Nil
	After the Offer*		[●]

^*For further details of changes to our authorised share capital in the past 10 years/incorporation, see 'History and Certain Corporate Matters - Amendments to the Memorandum of Association' on page 228.*

* *To be included upon finalization of the Offer Price.*

#*Assuming full subscription in the Offer*

(1) The Offer has been authorised by our Board pursuant to the meeting held on March 5, 2025, and the Fresh Issue has been authorized by our Shareholders pursuant to the special resolution at their resolution at its meeting dated March 6, 2025. Further, our Board has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholders pursuant to its resolution dated March 5, 2025.

(2) Each Selling Shareholder, severally, and not jointly, confirms that the Equity Shares being offered by the Selling Shareholders are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For further details of the authorizations received for the Offer, please see 'Other Regulatory and Statutory Disclosures' on page 410. The Selling Shareholders have confirmed and consented to their participation in the Offer for Sale as set forth below:

Sr. No.	*Name of the Selling Shareholder*	*Number of Offered Shares in the Offer for Sale*	*Date of the consent letter to participate in the Offer for Sale*
1.	*Kantilal Ramanlal Patel*	*3,577,500*	*March 5, 2025*
2.	*Manisha Bipin Patel*	*3,577,500*	*March 5, 2025*

(***Remainder of this page has been intentionally left blank***)

Notes to the Capital Structure

1. **Equity Share capital history of our Company**

A. ***Primary issuance of Equity Shares***

The following table sets forth the history of the Equity Share capital of our Company:

Date of allotment	Number of Equity Shares allotted	Details of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
January 11, 2017	10,000	Subscription of (i) 7,000 Equity Shares of face value of ₹ 10 each by Bipin Patel; and (ii) 1,500 Equity Shares of face value of ₹ 10 each each by Manisha Bipin Patel and Kantilal Ramanlal Patel	10	10	Cash	Initial Subscription to the Memorandum of Association	10,000	100,000
April 1, 2017	1,393,000	Allotment of 1,393,000 Equity Shares of face value of ₹ 10 each to Bipin Patel	10	10	Other than Cash	Pursuant to acquisition of Allchem Laboratories	1,403,000	14,030,000
January 25, 2018	597,000	Allotment of 298,500 Equity Shares of face value of ₹ 10 each each to Manisha Bipin Patel and Kantilal Ramanlal Patel	10	10	Cash	Rights issue in the ratio of 597 Equity Shares of face value of ₹ 10 each for 1,403 existing Equity Shares of face value of ₹ 10 each on the record date i.e., December 27, 2017[(1)]	2,000,000	20,000,000

Date of allotment	Number of Equity Shares allotted	Details of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
October 20, 2018	500,000	Allotment of (i) 75,000 Equity Shares of face value of ₹ 10 each each to Manisha Bipin Patel and Kantilal Ramanlal Patel; (ii) 350,000 Equity Shares of face value of ₹ 10 each to Bipin Patel	10	10	Cash	Rights issue in the ratio of 1 Equity Shares of face value of ₹ 10 each for 4 existing Equity Shares of face value of ₹ 10 each on the record date i.e., October 1, 2018	2,500,000	25,000,000
May 30, 2019	500,000	Allotment of (i) 75,000 Equity Shares of face value of ₹ 10 each each to Manisha Bipin Patel and Kantilal Ramanlal Patel; (ii) 350,000 Equity Shares of face value of ₹ 10 each to Bipin Patel	10	10	Cash	Rights issue in the ratio of 1 Equity Shares of face value of ₹ 10 each for 5 existing Equity of face value of ₹ 10 each Shares on the record date i.e., May 7, 2019.	3,000,000	3,00,00,000
August 6, 2019	500,000	Allotment of (i) 75,000 Equity Shares of face value of ₹ 10 each each to Manisha Bipin Patel and Kantilal Ramanlal Patel; (ii) 350,000 Equity Shares of face value of ₹ 10 each to Bipin Patel	10	10	Cash	Rights issue in the ratio of 1 Equity share of face value of ₹ 10 each for 6 existing Equity shares of face value of ₹ 10 each on the record date i.e.,	3,500,000	35,000,000

Date of allotment	Number of Equity Shares allotted	Details of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
						July 16, 2019		
April 11, 2022	752,235	Allotment of (i) 526,565 Equity Shares of face value of ₹ 10 each to Bipin Patel; (ii) 112,835 Equity Shares of face value of ₹ 10 each each to Manisha Bipin Patel and Kantilal Ramanlal Patel	10	67	Cash	Rights issue in the ratio of 625 Equity Shares of face value of ₹ 10 each for 2,908 existing Equity Shares of face value of ₹ 10 each on the record date i.e., March 28, 2022	4,252,235	42,522,350
February 28, 2025	72,287,995	Allotment of (i) 50,601,605 Equity Shares of face value of ₹ 10 each to Bipin Patel, (ii) 10,834,270 of face value of ₹ 10 each Equity Shares to Kantilal Ramanlal Patel, (iii) 10,826,195 Equity Shares of face value of ₹ 10 each to Manisha Bipin Patel, (iv) 8,500 Equity Shares of face value of ₹ 10 each to Manguben K Patel; (v) 8,500 Equity Shares of face value of ₹ 10 each to Aditi Patel; (vi) 8,500 Equity Shares of face value of ₹ 10 each to Dhruvil Patel; and (vii) 425 Equity Shares of face value of ₹ 10	10	NA	NA	Bonus issue in the ratio of 17 Equity Shares of face value of ₹ 10 each for 1 existing Equity Share of face value of ₹ 10 each on the record date i.e., December 20, 2024	76,540,230	765,402,300

Date of allotment	Number of Equity Shares allotted	Details of allottees	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Reason / Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (in ₹)
		each to Sachin K Mistry						

(1) *Manisha Bipin Patel and Kantilal Ramanlal Patel had applied for additional 297,862 Equity Shares and 297,861 Equity Shares, respectively.*

(***Remainder of this page has been intentionally left blank***)

B. Acquisitions of Equity Shares of our Company through secondary transactions by Shareholders

Set out below are the acquisition of Equity Shares of our Company through secondary transactions:

Date of Transfer of Equity Shares	Name of transferor	Name of Transferee	No. of equity Shares	Face value per Equity Share (₹)	Transfer price per Equity Share (in ₹)	Total Consideration (in ₹)	Nature of Consideration	Percentage of pre-Offer Equity Share Capital
August 5, 2024	Kantilal Ramanlal Patel	Sachin K Mistry	25	10	204	5,100	Cash	Negligible
August 5, 2024	Kantilal Ramanlal Patel	Mangueben K Patel	500	10	Nil	Nil	Other than Cash	Negligible
August 5, 2024	Manisha Bipin Patel	Aditi Patel	500	10	Nil	Nil	Other than Cash	Negligible
August 5, 2024	Manisha Bipin Patel	Dhruvil Patel	500	10	Nil	Nil	Other than Cash	Negligible

2. **Details of shares issued for consideration other than cash or by way of bonus issue or out of revaluation reserves**

Except as set forth below, we have not issued any Equity Shares for consideration other than cash or by way of a bonus issue or out of revaluation reserves:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per equity share (₹)	Form of consideration	Reasons for allotment	Benefits if any that have accrued to our Company
April 01, 2017	1,393,000	10	10	Other than Cash	Pursuant to acquisition of Allchem Laboratories	Acquisition of entire business including business assets and business liabilities of Allchem Laboratories
February 28, 2025	72,287,995	10	NA	NA	Bonus issue in the ratio of 17 Equity Shares of face value of ₹ 10 each for 1 existing Equity Shares of face value of ₹ 10 each on the record date i.e., December 20, 2024	NA

3. Our Company is not proposing to undertake any pre-IPO placement.

4. Our Company is in compliance with the Companies Act, 2013, as applicable, with respect to issuance of securities since its incorporation till the date of filing of this Draft Red Herring Prospectus.

5. Our Company has not revalued its assets since incorporation and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

6. As on the date of this Draft Red Herring Prospectus, our Company does not have preference share capital.

7. Our Company has not allotted any Equity Shares pursuant to any scheme of arrangement approved under Sections 391- 394 of the Companies Act, 1956, or Sections 230-234 of the Companies Act, 2013.

8. Our Company does not have any employee stock option scheme as on the date of this Draft Red Herring Prospectus.

9. Except for the allotment of Equity Shares pursuant to a bonus issue as disclosed in '*Capital Structure-Details of shares issued for consideration other than cash or by way of bonus issue or out of revaluation reserves*' on page 86, our Company has not issued any Equity Shares at a price that may be lower than the Offer Price during a period of 1 year preceding the date of this Draft Red Herring Prospectus.

10. All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the Bid/Offer Closing Date shall be reported to the Stock Exchanges within 24 hours of such transactions.

11. None of the Equity Shares held by our Shareholders are pledged or otherwise encumbered as on the date of this Draft Red Herring Prospectus.

12. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Red Herring Prospectus.

13. **Shareholding Pattern of our Company**

The table below sets out the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of partly paid-up Equity Shares held (V)	No. of shares underlying depository receipts (VI)	Total No. of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of Equity Shares (calculate as per SCRR) (VIII) As a % of (A+B+C2)	No. of Voting Rights held in each class of securities (IX)				No. of Equity Shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted equity share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	No. of locked-in Equity Shares (XII)		No. of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialised form (XIV)
								No. of Voting Rights										
								Class (Equity Shares)	Class (others)	Total	Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter and Promoter Group	6	76,539,780	0	0	76,539,780	100.00	76,539,780	0	76,539,780	100.00	0	100.00	0	0.00	0	0.00	76,539,780
(B)	Public	1	450	0	0	450	0	450	0	450	0.00	0	0.00	0	0.00	0	0.00	450
(C)	Non Promoter-Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C1)	Shares underlying depository receipts	0	0	0	0	0	0.00	0	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0
(C2)	Shares held by employee trusts	0	0	0	0	0	0.00	0	0	0.00	0.00	0	0.00	0	0.00	0	0.00	0
Total (A+B+C)		**7**	**76,540,230**	**0**	**0**	**76,540,230**	**100.00**	**76,540,230**	**0**	**76,540,230**	**100.00**	**0**	**100.00**	**0**	**0.00**	**0**	**0.00**	**76,540,230**

(***Remainder of the page has been intentionally kept blank***)

14. **Other details of Shareholding of our Company**

As on the date of the filing of this Draft Red Herring Prospectus, our Company has 7 Shareholders.

a. Set forth below is a list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company, as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Bipin Patel	53,578,170	70.00
2.	Manisha Bipin Patel	11,463,030	14.98
3.	Kantilal Ramanlal Patel	11,471,580	14.99
Total		**76,512,780**	**99.97**

a. Set forth below is a list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company, as of 10 days prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Bipin Patel	53,578,170	70.00
2.	Manisha Bipin Patel	11,463,030	14.98
3.	Kantilal Ramanlal Patel	11,471,580	14.99
Total		**76,512,780**	**99.97**

b. Set forth below is a list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, as of the date 1 year prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Bipin Patel	2,976,565	70.00
2.	Manisha Bipin Patel	637,835	15.00
3.	Kantilal Ramanlal Patel	637,835	15.00
Total		**4,252,235**	**100.00**

c. Set forth below is a list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company, as of the date 2 years prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Bipin Patel	2,976,565	70.00
2.	Manisha Bipin Patel	637,835	15.00
3.	Kantilal Ramanlal Patel	637,835	15.00
Total		**4,252,235**	**100.00**

15. Our Company presently does not intend or propose to alter its capital structure for a period of 6 months from the Bid/Offer Opening Date, by way of sub-division or consolidation of the denomination of the Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for the Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise.

16. **Details of Shareholding of our Promoters and the members of our Promoter Group in our Company.**

a. As on the date of this Draft Red Herring Prospectus, our Promoters and member of Promoter Group hold 76,539,780 Equity Shares of face value of ₹ 10 each constituting around 100.00% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth below:

Sr. No.	Name of the Promoter	Pre-Offer No. of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)	Post-Offer No. of Equity Shares	Percentage of the post-Offer Equity Share capital
Promoters					
1.	Bipin Patel	53,578,170	70.00	[●]	[●]
2.	Kantilal Ramanlal Patel	11,471,580	14.99	[●]	[●]
3.	Manisha Bipin Patel	11,463,030	14.98	[●]	[●]
4.	Aditi Patel	9,000	0.01	[●]	[●]
Sub-Total (A)		**76,521,780**	**99.98**	**[●]**	**[●]**
Promoter group					
5.	Manguben K Patel	9,000	0.01	[●]	[●]
6.	Dhruvil Patel	9,000	0.01	[●]	[●]
Sub-Total (B)		**18,000**	**0.02**	**[●]**	**[●]**
Total (A+B)		**76,539,780**	**100.00**	**[●]**	**[●]**

b. ***Build-up of the Promoters' shareholding in our Company***

The build-up of the equity shareholding of our Promoters since incorporation of our Company is set forth in the tables below:

(i) Bipin Patel

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Initial Subscription to Memorandum of Association	January 11, 2017	7,000	10	10	Cash	Negligible	[●]
Allotment pursuant to acquisition of Allchem Laboratories	April 01, 2017	1,393,000	10	10	Other than Cash	1.82	[●]
Rights issue in the ratio of 1 Equity Share of face value of ₹ 10 each for 4 existing Equity Shares of face value of ₹ 10 each on the record date i.e., October 1, 2018	October 20, 2018	350,000	10	10	Cash	0.46	[●]
Rights issue in the ratio of 1 Equity Share of face value of ₹ 10 each	May 30, 2019	350,000	10	10	Cash	0.46	[●]

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
for 5 existing Equity Shares of face value of ₹ 10 each on the record date i.e., May 7, 2019							
Rights issue in the ratio of I Equity share of face value of ₹ 10 each for 6 existing Equity shares of face value of ₹ 10 each on the record date i.e., July 16, 2019	August 6, 2019	350,000	10	10	Cash	0.46	[●]
Rights issue in the ratio of 625 Equity Shares of face value of ₹ 10 each for 2,908 existing Equity Shares of face value of ₹ 10 each on the record date i.e., March 28, 2022	April 11, 2022	526,565	10	67	Cash	0.69	[●]
Bonus issue in the ratio of 17 Equity Shares of face value of ₹ 10 each for 1 existing Equity Shares of face value of ₹ 10 each on the record date i.e., December 20, 2024	February 28, 2025	50,601,605	10	NA	NA	66.11	[●]
Total		**53,578,170**				**70.00**	**[●]**

(ii) Kantilal Ramanlal Patel

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Initial Subscription to Memorandum of Association	January 11, 2017	1,500	10	10	Cash	Negligible	[●]
Rights issue in the ratio of 597 Equity Shares of face value of ₹ 10 each for 1,403 existing Equity Shares of face value of ₹ 10 each on the record date i.e., December 27, 2017[(1)]	January 25, 2018	298,500	10	10	Cash	0.39	[●]
Rights issue in the ratio of 1 Equity Share of face value of ₹ 10 each for 4 existing Equity Shares of face value of ₹ 10 each on the record date i.e., October 1, 2018	October 20, 2018	75,000	10	10	Cash	0.10	[●]
Rights issue in the ratio of 1 Equity Share of face value of ₹ 10 each for 5 existing Equity Shares of face value of ₹ 10 each on the record date i.e., May 7, 2019	May 30, 2019	75,000	10	10	Cash	0.10	[●]
Rights issue in the ratio of 1 Equity share of face value of ₹ 10 each for 6 existing Equity Shares of face value of ₹ 10 each on the record date i.e., July 16, 2019	August 6, 2019	75,000	10	10	Cash	0.10	[●]
Rights issue in the ratio of 625 Equity Shares of face value of ₹ 10 each for 2,908 existing	April 11, 2022	112,835	10	67	Cash	0.15	[●]

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Equity Shares of face value of ₹ 10 each on the record date i.e., March 28, 2022							
Transfer by way of gift to Manguben K Patel	August 5, 2024	(500)	10	Nil	NA	Negligible	[●]
Transfer to Sachin K Mistry	August 5, 2024	(25)	10	204	Cash	Negligible	[●]
Bonus issue in the ratio of 17 Equity Shares of face value of ₹ 10 each for 1 existing Equity Share of face value of ₹ 10 each on the record date i.e., December 20, 2024	February 28, 2025	10,834,270	10	NA	NA	14.16	[●]
Total		**11,471,580**				**14.99**	**[●]**

[(1)] *Kantilal Ramanlal Patel had applied for additional 297,861 Equity Shares of face value of ₹ 10 each.*

(iii) Manisha Bipin Patel

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Initial Subscription to Memorandum of Association	January 11, 2017	1,500	10	10	Cash	Negligible	[●]
Rights issue in the ratio of 597 Equity Shares of face value of ₹ 10 each for 1,403 existing Equity Shares of face value of ₹ 10 each on the record date i.e., December 27, 2017[(1)]	January 25, 2018	298,500	10	10	Cash	0.39	[●]

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Rights issue in the ratio of 1 Equity Share of face value of ₹ 10 each for 4 existing Equity Shares of face value of ₹ 10 each on the record date i.e., October 1, 2018	October 20, 2018	75,000	10	10	Cash	0.10	[●]
Rights issue in the ratio of 1 Equity Share of face value of ₹ 10 each for 5 existing Equity Shares of face value of ₹ 10 each on the record date i.e., May 7, 2019	May 30, 2019	75,000	10	10	Cash	0.10	[●]
Rights issue in the ratio of 1 Equity share of face value of ₹ 10 each for 6 existing Equity shares of face value of ₹ 10 each on the record date i.e., July 16, 2019	August 6, 2019	75,000	10	10	Cash	0.10	[●]
Rights issue in the ratio of 625 Equity Shares of face value of ₹ 10 each for 2,908 existing Equity Shares of face value of ₹ 10 each]on the record date i.e., March 28, 2022	April 11, 2022	112,835	10	67	Cash	0.15	[●]
Transfer by way of gift to Aditi Patel	August 5, 2024	(500)	10	Nil	NA	Negligible	[●]
Transfer by way of gift to Dhruvil Patel	August 5, 2024	(500)	10	Nil	NA	Negligible	[●]
Bonus issue in the ratio of 17 Equity Shares of face value of ₹ 10 each	February 28, 2025	10,826,195	10	NA	NA	14.14	[●]

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
for 1 existing Equity Share of face value of ₹ 10 each on the record date i.e., December 20, 2024							
Total		**11,463,030**				**14.98**	**[●]**

[(1)] Manisha Bipin Patel had applied for additional 297,862 Equity Shares of face value of ₹ 10 each.

(iv) Aditi Patel

Nature of transaction	Date of allotment / acquisition/ transfer and made fully paid up	No. of Equity Shares	Face value per Equity Share (₹)	Issue / acquisition/ transfer price per Equity Share (₹)	Form of consideration	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
Transfer of Equity Shares from Manisha Bipin Patel by way of gift	August 5, 2024	500	10	Nil	NA	Negligible	[●]
Bonus issue in the ratio of 17 Equity Shares of face value of ₹ 10 each for 1 existing Equity Share of face value of ₹ 10 each on the record date i.e., December 20, 2024	February 28, 2025	8,500	10	NA	NA	0.01	[●]
Total		**9,000**				**0.01**	**[●]**

c. All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

d. All Equity Shares held by our Promoters are in dematerialized form as on the date of this Draft Red Herring Prospectus.

e. None of the Equity Shares held by our Promoters are pledged or otherwise encumbered as on the date of this Draft Red Herring Prospectus. Further, none of the Equity Shares being offered for sale through Offer for Sale are pledged or otherwise encumbered as on the date of this Draft Red Herring Prospectus.

f. Except as set forth below, no member of the Promoter Group holds Equity Shares in our Company:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Manguben K Patel	9,000	0.01
2.	Dhruvil Patel	9,000	0.01
Total		**18,000**	**0.02**

g. Except as disclosed above in the '*Capital Structure – Details of Shareholding of our Promoters and members of the Promoter Group in our Company*' on page 89, none of our Promoters or the members of the Promoter Group or their relatives have purchased or sold any securities of our Company during the period of 6 months immediately preceding the date of this Draft Red Herring Prospectus. Except as disclosed in the '*Our Management - Shareholding of Directors in our Company*' on page 238, none of our Directors or their relatives have purchased or sold any securities of our Company during the period of 6 months immediately preceding the date of this Draft Red Herring Prospectus.

h. There have been no financing arrangements whereby our Promoters, the members of our Promoter Group, our Directors and their relatives have financed the purchase, by any other person of securities, of our Company during the period of 6 months immediately preceding the date of this Draft Red Herring Prospectus.

17. **Details of shareholding of the Selling Shareholders**

The shareholding of the Selling Shareholders and the number of Offered Shares being offered in the Offer for Sale by each of the Selling Shareholder is set out below:

Sr. No.	Name of the Selling Shareholder	No. of Equity Shares (A)	Percentage of the pre-Offer Equity Share capital	Maximum number of Offered Shares (B)	Residual number of Equity Shares (A-B)	Percentage of the post-Offer Equity Share capital
1.	Kantilal Ramanlal Patel	11,471,580	14.99	3,577,500	7,894,080	[●]
2.	Manisha Bipin Patel	11,463,030	14.98	3,577,500	7,885,530	[●]
Total		**2,29,34,610**	**29.96**	**7,155,000**	**15,779,610**	**[●]**

18. **Details of shareholding of our Directors, Key Managerial Personnel and Senior Management**

Other than as disclosed under '*Our Management - Shareholding of Directors in our Company*', '*Our Management - Shareholding of Key Managerial Personnel and Senior Managerial Personnel in our Company*' on pages 238 and 253 respectively, none of our Directors, Key Managerial Personnel and Senior Management hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

19. **Details of acquisition of specified securities in the preceding 3 years, 18 months and 1 year**

Save and except for below, our Promoters, the members of our Promoter Group, and the Selling Shareholders have not acquired any specified securities in the last 3 years 18 months and 1 year preceding the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Date of Acquisition	Number of Equity Shares Acquired	Face Value (in ₹)	Acquisition price per Equity Share*
Promoters					
1.	Bipin Patel	April 11, 2022	5,26,565	10	67.00
		February 28, 2025	50,601,605	10	Nil
2.	Kantilal Ramanlal Patel**	April 11, 2022	1,12,835	10	67.00
		February 28, 2025	10,834,270	10	Nil
3.	Manisha Bipin Patel**	April 11, 2022	1,12,835	10	67.00
		February 28, 2025	10,826,195	10	Nil
4.	Aditi Patel	August 5, 2024	500	10	Nil
		February 28, 2025	8,500	10	Nil
Promoter Group					
5.	Manguben K Patel	August 5, 2024	500	10	Nil
		February 28, 2025	8,500	10	Nil
6.	Dhruvil Patel	August 5, 2024	500	10	Nil
		February 28, 2025	8,500	10	Nil
Other Shareholders with special rights – Nil					

**As certified by M/s Talati & Talati LLP, Statutory Auditors, pursuant to a certificate dated March 13, 2025.*

*** Also, Selling Shareholder*

20. **Details of Promoters' contribution and lock-in**

a. Pursuant to Regulation 14 and Regulation 16 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by the Promoters shall be locked-in for a period of 18 months from the date of Allotment (**Minimum Promoters' Contribution**) in the Offer and our Promoters' shareholding in excess of 20% shall be locked-in for a period of 6 months from the date of Allotment.

b. The details of the Equity Shares held by our Promoters, which shall be locked-in for a period of 18 months from the date of Allotment is set out in the following table:

Name of Promoter	No. of Equity Shares locked-in	Date of allotment / acquisition and when made fully paid up	Nature of transaction	Face value (₹)	Offer / acquisition price per Equity Share (₹)	Percentage of pre-Offer paid-up capital (%)	Percentage of post-Offer paid-up capital (%)	Date up to which Equity Shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**

**To be updated at Prospectus stage.*

c. Our Promoters have given their consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Issue Equity Share capital of our Company as Minimum Promoter's Contribution, and have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Minimum Promoter's Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations, except as may be permitted in accordance with the SEBI ICDR Regulations.

d. The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Minimum Promoters' Contribution under Regulation 15 of the SEBI ICDR Regulations. In this regard, we confirm that:

i. the Equity Shares offered as part of the Minimum Promoters' Contribution do not comprise Equity Shares acquired during the immediately 3 preceding years:

- for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or

- resulting from a bonus issue out of revaluation reserves or unrealised profits, or against Equity Shares that are otherwise ineligible for computation of Minimum Promoters' Contribution;

ii. The Minimum Promoters' Contribution does not include Equity Shares acquired during the immediately preceding 1 year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

iii. Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm, and, consequently, the Minimum Promoters' Contribution does not include Equity Shares issued pursuant to conversion of partnership firm or a limited liability partnership firm; and

iv. The Equity Shares held by our Promoters and offered as part of the Minimum Promoters' Contribution are not subject to any pledge or any other form of encumbrance.

21. ***Details of Equity Shares held by other Shareholders which will be locked-in for 6 months***

In terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital held by persons other than our Promoters will be locked-in for a period of 6 months from the date of Allotment in the Offer, except for Offered Shares, and Equity Shares held by any other category of shareholders which are exempted under Regulation 17 of the SEBI ICDR Regulations.

Any unsubscribed portion of the Offer for Sale will also be subject to the lock-in of 6 months from the date of Allotment.

22. **Lock-in Requirements**

Pursuant to the SEBI ICDR Regulations, the entire pre-Offer capital of our Company shall be locked in for a period of 6 months from the date of Allotment, except for (i) the Equity Shares Allotted pursuant to the Offer for Sale; (ii) any Equity Shares held by a VCF or Category I AIF or Category II AIF or FVCI, as applicable, provided that such Equity Shares shall be locked in for a period of at least 6 months from the date of purchase by such shareholders; and (iii) as otherwise permitted under the SEBI ICDR Regulations. Further, any unsubscribed portion of the Offered Shares will also be locked in, as required under the SEBI ICDR Regulations.

23. **Lock-in of Equity Shares Allotted to Anchor Investors**

50% percent of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment and the remaining portion shall be locked-in for a period of 90 days from the date of Allotment.

24. **Recording on non-transferability of Equity Shares locked-in**

In accordance with Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

25. **Other requirements in respect of lock-in**

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

a. With respect to the Equity Shares locked-in for 6 months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

b. With respect to the Equity Shares locked-in as Minimum Promoters' Contribution for 18 months from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In accordance with Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the SEBI Takeover Regulations.

Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Offer and locked-in for a period of 6 months, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in with the transferee and compliance with the provisions of the SEBI Takeover Regulations.

26. Our Company, our Directors and the BRLM have no existing buyback arrangements and or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

27. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. All Equity Shares transferred pursuant to the Offer shall be fully paid-up at the time of Allotment, failing which no Allotment shall be made.

28. As on the date of the Draft Red Herring Prospectus, the Shareholders of the Company are not directly/indirectly related to the BRLM and its respective associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992).

29. As on the date of this Draft Red Herring Prospectus, the BRLM and its associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The BRLM and its affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and/or our Subsidiary, for which they may in the future receive customary compensation.

30. None of our Promoters or the members of our Promoter Group will participate in the Offer except to the extent of their participation in the Offer for Sale.

31. Neither the (i) BRLM or any associate of the BRLM (other than mutual funds sponsored entities which are associates of the BRLM or insurance companies promoted by entities which are associates of the BRLM or AIFs sponsored by the entities which are associates of the BRLM or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLM); nor (ii) any person related to the Promoter or Promoter Group can apply under the Anchor Investor Portion.

32. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded on account of non-listing, under-subscription etc, as the case may be.

33. Our Company will ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

34. No person connected with the Offer shall offer any incentive, whether directly or indirectly, in any manner whatsoever, whether in cash or kind or service or otherwise, to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

SECTION IV: PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

The Offer comprises the Fresh Issue and an Offer for Sale by the Promoter Selling Shareholders.

Offer for Sale

The Offer for Sale comprises up to 7,155,000 Equity Shares aggregating up to ₹ [●] million.

The proceeds of the Offer for Sale shall be received by the Promoter Selling Shareholders. Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds. Each of the Promoter Selling Shareholder will be entitled to proceeds from the Offer for Sale to the extent of their respective portion of the Offered Shares, after deducting their respective proportion of Offer related expenses and relevant taxes thereon.

Fresh Issue

The Fresh Issue comprises an offer of up to [●] Equity Shares aggregating up to ₹ 1,900 million. The proceeds of the Fresh Issue, after deducting Offer related expenses, are estimated to be ₹ [●] million (**Net Proceeds**).

Requirement of Funds

Our Company proposes to utilise the Net Proceeds towards the following objects:

1. Repayment and/ or pre-payment, in full or part, of certain borrowings availed by our Company; and

2. General corporate purposes.

(collectively, referred to herein as the '**Objects**')

The main objects clause and objects incidental and ancillary to the main objects as set out in the Memorandum of Association enables our Company to undertake (i) its existing activities; (ii) the activities proposed to be funded from the Net Proceeds and; (iii) the activities for which the loans were availed by our Company and which are proposed to be re-paid / prepaid from the Net Proceeds.

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges and enhancement of our Company's visibility and brand image and creation of a public market for our Equity Shares in India.

Net Proceeds

The details of the proceeds of the Fresh Issue are set out in the table below.

(in ₹ million)

Particulars	Amount
Gross Proceeds from the Fresh Issue	1,900.00
(Less) Fresh Issue related expenses(1)	[●](2)
Net Proceeds	**[●]**(2)

(1) *For details with respect to sharing of fees and expenses amongst our Company and the Promoter Selling Shareholders, see 'Objects of the Offer - Offer related expenses' on page 106.*

(2) *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

Utilisation of Net Proceeds

(in ₹ million)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Percentage of Net Proceeds (%)
1.	Repayment or pre-payment, in full or in part, of certain of our outstanding borrowings availed by our Company	1,300.00	[●]
2.	General corporate purposes(1)	[●]	[●]

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Percentage of Net Proceeds (%)
Total(1)		**[●]**	**[●]**

(1) *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

Proposed schedule of implementation and deployment of Net Proceeds

Our Company proposes to deploy the Net Proceeds for the Objects in accordance with the estimated schedule of implementation and deployment of funds as set forth in the table below:

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Estimated deployment during Fiscal 2026
1.	Repayment or pre-payment, in full or in part, of certain of our outstanding borrowings availed by our Company	1,300.00	1,300.00
2.	General corporate purposes (1)	[●]	[●]
Total(1)		**[●]**	**[●]**

(1) *To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, prevailing market conditions and other commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution. For further details see '*Risk Factor - The objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution and are based on management estimates.*' on page 106. We may have to revise our funding requirements and deployment on account of a variety of factors such as financial and market conditions, macro-economic factors, change in government policy, changes in business and strategy, competition, and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws. For further details, please see, '*Risk Factors - Any variation in the utilisation of proceeds from the Fresh Issue shall be subject to applicable law.'* on page 53.

If the estimated utilisation of the Net Proceeds in a scheduled fiscal year is not completely met, due to factors such as (i) the timing of completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, then such unutilised amounts shall be utilised (in part or full) in the next fiscal year, as may be determined by our Company, in accordance with applicable laws. Subject to applicable law, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of funding means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used towards general corporate purposes, provided that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with Regulation 7(2) of the SEBI ICDR Regulations.

Means of finance

Our Company proposes to fund the requirements of the Objects of the Offer from the Net Proceeds. Accordingly, there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable internal accruals, as required under Regulation 7(1)(e) of the SEBI ICDR Regulations. Further, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used towards general corporate purposes, provided that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with Regulation 7(2) of the SEBI ICDR Regulations. Please also see, '*Risk Factors - Any variation in the utilisation of proceeds from the Fresh Issue shall be subject to applicable law'* on page 53.

Details of the Objects of the Fresh Issue

1. **Repayment and/or pre-payment of certain borrowings, in full or part, availed by our Company**
Our Company has entered into various financing arrangements with banks, which include term loans and working capital facilities, including fund based and non-fund based borrowings. For details of our Company's outstanding financial indebtedness, see '*Financial Indebtedness*' on page 357.

As of February 28, 2025, our total sanctioned borrowing was ₹ 1,581.00 million and our outstanding balance of our secured fund based borrowings (long term and short term, but excluding vehicle loans) was ₹ 1,317.41 million, respectively. Our Company proposes to utilise an estimated amount of ₹ 1,300.00 million from the Net Proceeds towards full or partial repayment or pre-payment of certain borrowings availed by our Company. Our Company may avail further loans after the date of this Draft Red Herring Prospectus. Given the nature of these borrowings and the terms of repayment or pre-payment, the aggregate outstanding amounts under these borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of our existing borrowings or avail of additional credit facilities. In terms of our Company's borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges. Such prepayment charges, as applicable, will also be funded out of the Net Proceeds. If the Net Proceeds are insufficient for payment of pre-payment penalty, interest or other related costs, as applicable, such payment shall be met through the internal accruals of our Company. If at the time of the Red Herring Prospectus, any of the below-mentioned loans are repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down or if the limits under the working capital borrowings are increased, then our Company may utilise the Net Proceeds for part or full pre-payment / repayment of any such refinanced facilities or repayment of any additional facilities obtained by our Company and details of such borrowings will be included in the Red Herring Prospectus. However, the aggregate amount to be utilised from the Net Proceeds towards repayment or pre-payment of certain of our borrowings (including refinanced or additional facilities availed, if any), in part or full, would not exceed ₹ 1,300.00 million. We believe that such repayment/ pre-payment will help deleverage our Company, i.e. assist us in maintaining an optimal debt-equity ratio, reduce our debt servicing costs, improve our return on capital employed, and enable utilisation of our Company's internal accruals for further investment in our Company's business growth and expansion. For details of the aforementioned ratios, see '*Basis for the Offer Price - Key Performance Indicators (KPIs) and Accounting Ratios*' on page 111.

The selection of borrowings proposed to be repaid and/or prepaid out of the borrowings provided below, shall be based on various factors including (i) cost of the borrowings to our Company, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our Company's ability to prepay the borrowings and time taken to fulfil such requirements, (ii) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our respective lenders, prior to completion of the Offer; (iii) terms and conditions of such consents and waivers, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any law, rules, regulations governing such borrowings, and (vi) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

For the purposes of the Offer, our Company has intimated and has obtained the necessary consents from our lenders, as is respectively required under the relevant facility documentation for undertaking activities for the Offer, and for the deployment of the Net Proceeds towards the Objects. The following table provides details of sanctioned borrowings of our Company as at February 28, 2025 aggregating ₹ 1,451.00 million and an outstanding amount aggregating ₹ 1,317.41 million, which are currently proposed to be fully or partially repaid (earlier or scheduled) or pre-paid from the Net Proceeds:

Sr. No.	Name of the lender	Date of the facility agreement / sanction letter	Nature of the loan	Amount sanctioned (in ₹ million)	Amount outstanding as February 28, 2025 (in ₹ million)	Rate of Interest (% per annum)	Tenor and repayment schedule	Prepayment terms / penalty	Whether loan is for capital expenditure (Yes/ No)	Instalments / EMI due for the current Fiscal
1.	State Bank of India	December 27, 2024	Cash Credit	125.00	119.49	9.40%	12 months	2%	No	Nil
2.	State Bank of India	December 27, 2024	Term Loan-1	396.00	361.37	9.40%	96 Months	-	Yes	₹ 2.1 million per month from April 2024 till August 2024 and ₹ 2.7 million from September 2024 till March 2025
3.	State Bank of India	December 27, 2024	Term Loan-2	200.00	143.81	9.40%	72 Months	-	Yes	Nil*
4.	HDFC Bank	September 26, 2024	Cash Credit	80.00	79.32	9.38%	12 months	-	No	Nil
5.	HDFC Bank	September 26, 2024	Term Loan	350.00	322.74	9.50%	119 months	-	Yes	56.77**
6.	CITI Bank	January 1, 2025 read with addendum to sanction letter dated January 15, 2025	Cash Credit	200.00	190.67	8.75%	12 months	2%	No	Nil
7.	CITI Bank	January 1, 2025 read with addendum to sanction letter dated January 15, 2025	Term Loan-2	100.00	100.00	7%***	48 months	2%	Yes	Nil****

Sr. No.	Name of the lender	Date of the facility agreement / sanction letter	Nature of the loan	Amount sanctioned (in ₹ million)	Amount outstanding as February 28, 2025 (in ₹ million)	Rate of Interest (% per annum)	Tenor and repayment schedule	Prepayment terms / penalty	Whether loan is for capital expenditure (Yes/ No)	Instalments / EMI due for the current Fiscal
Total				**1,451.00**	**1,317.41**					

**A moratorium on re-payment is available till June 30, 2025.*
***Includes interest*
****Our Company has availed this loan in USD.*
*****A moratorium on re-payment is available till June 30, 2025.*

As on February 28, 2025, CITI Bank has also sanctioned to our Company an amount of ₹ 130.00 million, which is yet to be availed. If at the time of the Red Herring Prospectus, this loan is availed, then our Company may utilise the Net Proceeds for part or full pre-payment / repayment of this facility and the details of this loan will be included in the Red Herring Prospectus.

Note: In accordance with paragraph 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, our Statutory Auditors, by way of their certificate dated March 13, 2025, have confirmed that our Company has utilised the loans for the purposes for which they were availed.

(*Remainder of this page has been intentionally left blank*)

2. **General corporate purposes**

We propose to utilise up to ₹ [●] million of the Net Proceeds towards general corporate purposes and the business requirements of our Company as approved by the Board, from time to time, subject to such utilisation for general corporate purposes not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise the Net Proceeds include meeting ongoing general corporate exigencies, expenses incurred in the ordinary course of business, strategic initiatives, business development initiatives, meeting ongoing general corporate contingencies, organic or inorganic growth, other expenses including salaries, employee welfare activities, administration, insurance, repairs and maintenance, payment of taxes and duties, capital expenditure, and any other purpose, as may be approved by our Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act. However, our Company will not utilise the funds earmarked towards general corporate purposes raised through the Fresh Issue for repayment and/or pre-payment of certain borrowings, in full or part, availed by our Company, for which the funds are raised through the Fresh Issue. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount available under this head and the business requirements of our Company, from time to time. Our Company's management shall have flexibility in utilising surplus amounts, if any. In the event that we are unable to utilise the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilise such unutilised amount(s) during Fiscal 2027. Further, our Company will utilise the amount in accordance with applicable law.

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer include, among others, listing fees, underwriting fees, selling commission, fees payable to the Book Running Lead Manager, fees payable to legal counsel, fees payable to the Registrar to the Offer and Sponsor Bank(s), Escrow Collection Bank to the Offer, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to the Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses, fees paid to SEBI, Stock Exchanges, Depositories and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Except for (i) listing fees and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue, which shall be solely borne by our Company, and (ii) the stamp duty payable on transfer of Offered Shares which shall be borne solely by the respective Promoter Selling Shareholder, our Company and the Promoter Selling Shareholders will share the costs and expenses (including all applicable taxes) directly attributable to the Offer, (including fees and expenses of the Book Running Lead Manager, legal counsel and other intermediaries, advertising and marketing expenses, printing, underwriting commission, procurement commission (if any), brokerage and selling commission and payment of fees and charges to various regulators in relation to the Offer) in proportion to the number of Equity Shares issued and Allotted by our Company through the Fresh Issue and sold by each of the Promoter Selling Shareholders through the Offer for Sale. Our Company agrees to advance the cost and expenses of the Offer and our Company will be reimbursed by each of the Promoter Selling Shareholders for their respective proportion of such costs and expenses. The Promoter Selling Shareholders agree that such payments, expenses and taxes, will be deducted from the proceeds from the sale of Offered Shares, in accordance with Applicable Law and as disclosed in the Offer Documents, in proportion to its respective Offered Shares. In the event of withdrawal of the Offer or the Offer is not successful or consummated, all costs and expenses with respect to the Offer shall be borne by our Company and the Promoter Selling Shareholders on a *pro rata* basis to the Equity Shares offered by our Company in the Fresh Issue and Equity Shares offered by each of the Promoter Selling Shareholder in the Offer for Sale, respectively and in accordance with Applicable Law.

The break-up for the estimated Offer expenses is as follows:

Sr. No.	Activity	Estimated amount(1) (in ₹ million)	As a % of total estimated offer Expenses(1)	As a % of Offer Size(1)
1.	BRLM's fees and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
2.	Brokerage, selling commission, bidding charges, processing fees for the Members	[●]	[●]	[●]

Sr. No.	Activity	Estimated amount[(1)] (in ₹ million)	As a % of total estimated offer Expenses[(1)]	As a % of Offer Size[(1)]
	of the Syndicate, Registered Brokers, SCSBs, RTAs and CDPs[(2)(3)(4)(5)(6)]			
3.	Fees payable to the Registrar to the Offer	[●]	[●]	[●]
4.	Other expenses:			
	(i) Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
	(ii) Printing and stationery	[●]	[●]	[●]
	(iii) Advertising and marketing expenses	[●]	[●]	[●]
	(iv) Fee payable to legal counsel, the statutory auditor, independent chartered accounts, independent chartered engineers	[●]	[●]	[●]
	(v) Miscellaneous^	[●]	[●]	[●]
Total estimated Offer Expenses		[●]	[●]	[●]

^Includes fee payable to independent company secretary, monitoring agency etc.

(1) *Amounts will be finalised and incorporated in the Prospectus on determination of Offer Price include applicable taxes, where applicable*

(2) *Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders, which are directly procured and uploaded by them would be as follows:*

*Portion for Retail Individual Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)**
*Portion for Non-Institutional Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)**

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

No processing/uploading charges shall be payable by our Company and the Promoter Selling Shareholders to the SCSBs on the applications directly procured by them.

The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

SCSBs will be entitled to a processing fee for processing the ASBA Form procured by the members of the Syndicate (including their sub-Syndicate members), CRTAs or CDPs from Retail Individual Bidders and Non-Institutional Bidders (excluding UPI Bids) and submitted to the SCSBs for blocking as follows:

*Portion for Retail Individual Bidders **	*₹[●] per valid ASBA Forms (plus applicable taxes)*
*Portion for Non-Institutional Bidders **	*₹[●] per valid ASBA Forms (plus applicable taxes)*

**Based on valid ASBA Forms*

Processing fees payable to the SCSBs for capturing Syndicate Member/Sub-syndicate (Broker)/Sub-broker code on the ASBA Form for Non- Institutional Bidders with bids above ₹500,000 would be ₹[●] plus applicable taxes, per valid application.

(3) *Brokerage, selling commission and processing/ uploading charges on the portion for Retail Individual Bidders (using the UPI Mechanism), and Non-Institutional Bidders which are procured by the members of the Syndicate (including their sub-Syndicate members), CRTAs, CDPs or for using 3 in 1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-Syndicate members) would be as follows:*

*Portion for Retail Individual Bidders **	*[●]% of the Amount Allotted (plus applicable taxes)**
*Portion for Non-Institutional Bidders **	*[●]% of the Amount Allotted (plus applicable taxes)**

**Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

(4) *The selling commission payable to the Syndicate / sub-Syndicate members will be determined:*

i. *For Retail Individual Bidders and Non-Institutional Bidders (up to ₹ 0.5 million) on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / sub-Syndicate members. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate / sub-Syndicate member.*

For Non-Institutional Bidders (Bids above ₹ 0.5 million) on the basis of the Syndicate ASBA Form bearing SM Code & Sub-Syndicate Code of the application form submitted to SCSBs for Blocking of the Fund and uploading on the Exchanges platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate member, is bid by an SCSB, the selling commission will be payable to the Syndicate / sub-Syndicate members and not the SCSB.

The payment of selling commission payable to the sub-brokers / agents of sub-syndicate members are to be handled directly by the respective sub-Syndicate member.

The selling commission payable to the CRTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

(5) *Uploading charges:*

i. *Payable to members of the Syndicate (including their sub-Syndicate members), on the applications made using 3 in 1 accounts, would be ₹[●] plus applicable taxes, per valid application bid by the Syndicate member (including their sub-Syndicate members).*

ii. *Bid uploading charges payable to the SCSBs on the portion of QIB and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/CRTAs/ CDPs and submitted to SCSB for blocking and uploading would be ₹[●] per valid application (plus applicable taxes)*

The selling commission and bidding charges payable to Registered Brokers the CRTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE

The Bidding/uploading charges payable to the Syndicate/sub-Syndicate members, CRTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

Selling commission payable to the registered brokers, CRTAs and CDPs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows: Portion for Retail Individual Bidders and Non-Institutional Bidders: ₹[●] per valid ASBA Form (plus applicable taxes).

(6) *Uploading charges/ Processing fees for applications made by UPI Bidders using the UPI Mechanism would be as under:*

Members of the Syndicate / RTAs / CDPs (uploading charges)	₹[●] per valid application (plus applicable taxes)
Sponsor Bank (Processing fee) – [●]	₹[●] per valid application (plus applicable taxes) The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other applicable laws
Sponsor Bank (Processing fee) – [●]	₹[●] per valid application (plus applicable taxes). [●] will also be entitled to a one time escrow management fee of ₹ [●] (plus applicable taxes) The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other applicable laws

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024 (to the extent applicable).

Interim use of Net Proceeds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company will, in accordance with applicable law, temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934, for the necessary duration, as may be approved by our Board. Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Loan

As on the date of this Draft Red Herring Prospectus, our Company has not raised any bridge loans from any bank or financial institution which are required to be repaid from the Net Proceeds.

Monitoring of Utilization of Funds

Since the Fresh Issue size is in excess of ₹ 1,000 million, our Company will appoint a credit rating agency registered with SEBI for monitoring the utilisation of the Gross Proceeds, in terms of Regulation 41 of the SEBI ICDR Regulations. Our Audit Committee and the monitoring agency will monitor the utilisation of the Net Proceeds and submit the report required under Regulation 41(2) of the SEBI ICDR Regulations, on a quarterly basis, specifying the purpose for which Gross Proceeds have been utilised, until such time as the Gross Proceeds have been utilised in full.

Our Company will disclose the utilisation of the Gross Proceeds, including interim, use under a separate head in our balance sheet for such Fiscals as required under applicable law, specifying the purposes for which the Gross Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable fiscals, provide details, if any, in relation to all such Gross Proceeds that have not been utilised.

Pursuant to the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. The Audit Committee will make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Further, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the Objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the Objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Variation in Objects of the Offer

In accordance with Sections 13(8) and 27 of the Companies Act, and Regulation 59 and Schedule XX of the SEBI ICDR Regulations, any material deviation in the Objects of the Offer will require our Company to obtain the approval of the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (**Postal Ballot Notice**) shall specify the prescribed details and be published in accordance with the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Gujarati, the vernacular language of the jurisdiction where our Registered Office is situated. Pursuant to the Companies Act, our Promoters will be required to provide an exit opportunity to the Shareholders who do not agree to such material deviation of the Objects, subject to the provisions of the Companies Act and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act and provisions of Schedule XX of the SEBI ICDR Regulations.

Appraising Agency

None of the Objects of the Offer for which the Net Proceeds will be utilized have been appraised by any agency.

Other Confirmations

Except to the extent of any proceeds received pursuant to the sale of Offered Shares proposed to be sold in the Offer by the Promoter Selling Shareholders, no part of the proceeds of the Offer will be paid by our Company to our Promoters, members of the Promoter Group, our Directors, our Key Managerial Personnel or Senior Management.

Our Company has not entered into or is not planning to enter into any arrangement/ agreements with our Directors, our Promoters, the members of our Promoter Group, Key Managerial Personnel, Senior Management or our Group Company in relation to the utilization of the Net Proceeds of the Offer. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects of the Fresh Issue as set out above.

BASIS FOR THE OFFER PRICE

The Price Band and the Offer Price will be determined by our Company, in consultation with the Book Running Lead Manager, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and the quantitative and qualitative factors as described below and is justified in view of these parameters. The face value of the Equity Shares is ₹ 10 each and the Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Cap Price shall be minimum 105% of the Floor Price and shall not exceed 120% of the Floor Price. Investors should also refer to "*Risk Factors*", "*Our Business*", "*Restated Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 27, 196, 261 and 360, respectively, to have an informed view before making an investment decision.

Qualitative factors

We believe the following business strengths allow us to successfully compete in the industry:

- *Long-standing relationships with a stable customer base*;
- *Diversified customer base with strong export credentials*;
- *Well established Manufacturing Facility with a focus on sustainability*;
- *Strong focus on developing new chemistries leading to diverse products with a wide range of industrial applications*;
- *Supply chain management in an industry with high entry barrier*s;
- *Experienced Promoters with domain knowledge; and*
- *Track record of consistent financial performance and growth*

For further details, see '*Our Business –Strengths*' on page 199.

Quantitative factors

Some of the information presented below relating to our Company is derived from the Restated Financial Statements. For details, please refer to the section titled *'Restated Financial Statements'* on page 261.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

1. **Basic and Diluted Earnings Per Equity Share (EPS), as adjusted for change in capital:**

   As per our Restated Financial Statements:

Fiscal / period ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
Financial year ended March 31, 2024	3.06	3.06	3
Financial year ended March 31, 2023	2.36	2.36	2
Financial year ended March 31, 2022	2.24	2.24	1
Weighted Average			2.69
6 months period ended September 30, 2024^	1.42	1.42	-

^ Not Annualised
Notes:
EPS has been calculated in accordance with the Indian Accounting Standard 33 – 'Earning per share' notified under the Companies (Indian Accounting Standards) Rules, 2015. The above statement should be read with material accounting policies and notes on Restated Financial Statements.
** Weighted Average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights*

The face value of equity shares of the Company is ₹ 10.

2. Price/Earning (P/E) Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at lower end of the Price Band	P/E at higher end of the Price Band	P/E at Offer Price (no. of times)
Based on basic EPS of ₹ [●] as per the Restated Financial Statements for the financial year ended March 31, 2024	[●]	[●]	[●]
Based on diluted EPS of ₹ [●] as per the Restated Financial Statements for the financial year ended March 31, 2024	[●]	[●]	[●]

3. Industry Peer Group P/E ratio*

Particulars	P/E ratio
Highest	182.09
Lowest	31.46
Average	105.08

Notes:

* ** Peer Group includes Bluejet HealthCare Limited, Ami Organics Limited, Aether Industries Limited and Shree Ganesh Remedies Limited. P/E Ratio has been computed based on the closing market price of equity shares on February 28,2025, on www.nseindia.com except for Shree Ganesh Remedies Limited market price taken from www.bseindia.com, divided by the Diluted EPS as on March 31, 2024 as disclosed in audited financials submitted by the respective entity with the stock exchange for the financial year ended March 31, 2024.*

4. Average Return on Net Worth (RoNW)

Fiscal/period ended	RoNW* (%)	Weight
Financial year ended March 31, 2024	34.33	3
Financial year ended March 31, 2023	37.84	2
Financial year ended March 31, 2022	48.69	1
Weighted Average**		37.89
6 months period ended September 30, 2024^	12.77	-

^ *Not Annualised*

* *RoNW is calculated as Profit after tax divided by Average Total Equity for the respective year.*

** *The weighted average is a product of RoNW and respective assigned weight dividing the resultant by total aggregate weight.*

5. Net Asset Value per Equity Share ("NAV") per Equity Share

a. As on March 31, 2024 as per the Restated Financial Statements: ₹ 10.44 per Equity Share

b. As on September 30, 2024 as per the Restated Financial Statements: ₹ 11.86 per Equity Share

c. After the Offer as per Restated Financial Statements:

i. At the Floor Price: ₹ [●]

ii. At the Cap Price: ₹ [●]

iii. At the Offer Price: ₹ [●]

Note: Net Asset Value is computed as the closing net worth (sum of equity share capital, other equity and non-controlling interest) divided by the closing outstanding number of equity shares at the end of the year (adjusted for allotment of Equity Shares through bonus shares issue on February 28, 2025).

6. Comparison of accounting ratios with listed industry peers

Following is the comparison with our peer group companies listed in India and engaged in the same line of business as our Company:

Name of Company	Latest financial year	Face Value (₹ per share)	Total Income (in ₹ million)	EPS (₹ per share)		EV/EBITDA	NAV (₹ per share)	P/E	RONW (%)
				Basic	Diluted				
Allchem Lifescience Limited	Standalone	10	1,380.66	3.06	3.06	522.90	10.44	-	34.33%
Ami Organics Limited	Standalone	10	7,013.69	11.91	11.90	1,076.67	183.05	182.09	6.92%
Aether Industries Limited	Standalone	10	6,399.33	6.74	6.74	1,314.47	156.09	126.91	5.32%
Shree Ganesh Remedies Limited	Standalone	10	1,289.62	22.35	22.35	418.10	95.05	31.46	26.65%
Blue Jet Healthcare Limited	Standalone	2	7,404.58	9.44	9.44	2,292.30	48.73	79.87	21.45%

Source:

1. *All the financial information for the Company mentioned above is based on the Restated Financial Statements for the year ended March 31, 2024.*
2. *All the financial information for listed industry peers mentioned above is on a standalone basis and is sourced from the audited standalone financial statements of the respective companies for the financial year ended March 31, 2024 available on the website of the respective companies.*

Notes:

1. *NAV is computed as the closing net worth (sum of equity share capital, other equity and non-controlling interest) divided by the closing outstanding number of equity shares as on March 31, 2024.*
2. *For listed industry peers, the P/E Ratio has been computed based on the closing market price of equity shares on February 28, 2025, on www.bseindia.com (for Shree Ganesh Remedies Limited) www.nseindia.com (for Bluejet HealthCare Limited, Ami Organics Limited, and Aether Industries Limited), divided by the Diluted EPS as on March 31, 2024.*
3. *RoNW is computed as net profit after tax and minority interest divided by average net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus. In case the net worth is negative for a particular year, the same has not been considered.*

7. Key Performance Indicators (KPIs) and Accounting Ratios

The table below sets forth the details of our Key Performance Indicators that our Company considers have a bearing for arriving at the basis for Offer Price. The Key Performance Indicators set forth below have been approved by our Audit Committee pursuant to the resolution at its meeting dated March 13, 2025. Further, our Company's Audit Committee has on March 13, 2025, taken on record that other than the Key Performance Indicators set out below, our Company has not disclosed any other Key Performance Indicators during the 3 years preceding the date of this Draft Red Herring Prospectus to its investors.

Additionally, the Key Performance Indicators have been certified by the Statutory Auditors of our Company, M/s. Talati and Talati LLP, Chartered Accountants, pursuant to a certificate dated March 13, 2025, who hold a valid certificate issued by the Peer Review Board of the ICAI. The Statutory Auditors certificate dated March 13, 2025, has been included in the section '*Material Contracts and Documents for Inspection*' of this Draft Red Herring Prospectus.

The KPIs disclosed below have been used historically by our Company to understand and analyse the operational and the financial performance, which in result, helps it in analysing the growth of various verticals in comparison to its listed peers, and other relevant and material KPIs of the business of our Company that have a bearing on arriving at the Basis for Issue Price have been disclosed below.

The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational KPIs , to make an assessment of our Company's performances and make an informed decision.

A list of our Key Performance Indicators for 6 months ended September 30, 2024, and for Fiscal 2024, Fiscal 2023 and Fiscal 2022 is set out below:

Particulars	Financial Year of the six month period ended September 30, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
Revenue from operations (₹ million)	784.48	1,374.21	1,057.19	1,081.01
Growth in Revenue from Operations (%)	NA	29.99	-2.20	17.27
CAGR of revenue from operations (%)		12.75		
EBITDA (₹ million)	321.58	522.90	304.42	249.17
CAGR of EBITDA		44.86		
EBITDA Margin (%)	40.99	38.05	28.80	23.05
Profit After Tax (₹ million)	108.92	234.09	179.89	141.39
Profit After Tax Margin (%)	13.88	17.03	17.02	13.08
Total Borrowings	1,068.96	1,049.66	971.70	495.33
Net Worth	907.43	798.89	564.92	385.76
Return on Equity (%)	12.77*	34.33	37.84	48.69
Return on Capital Employed (%)	10.90*	22.87	23.49	35.76
Debtors turnover ratio	2.36*	5.80	4.66	4.19
Inventory Turnover Ratio	0.93*	2.96	3.49	5.44
Debt Service Coverage Ratio	5.40	5.62	5.44	3.62
Net Debt to Equity (x)	1.18	1.31	1.72	1.28
Interest coverage ratio	4.32	6.06	15.26	6.93
Debt equity ratio	1.18	1.31	1.72	1.28

** Not annualised*

i. *Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Information*

ii. *Revenue Growth (%) is calculated as Revenue from operations for the current year minus Revenue from operations for the previous year as a % of Revenue from operations for the previous year.*

iii. *CAGR of Revenue from Operations is calculated as Revenue from Operations as on March 31, 2024 divided by Revenue from Operations as on March 31, 2022 ^ ½ - 1. ½ is no. of periods*

iv. *EBITDA is calculated as Profit before tax for the year, plus finance costs and depreciation and amortisation expenses, less other income*

v. *CAGR of EBITDA is calculated as EBITDA for the year ended March 31, 2024 divided by EBITDA for the year ended March 31, 2022 ^ ½ - 1. ½ is no. of periods*

vi. *EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations*

vii. *Profit after tax (PAT) refers to Restated Profit/(Loss) for the year from Continuing Operations as appearing in the Restated Financial Information*

viii. *PAT Margin (%) is calculated as Profit for the year as a percentage of Revenue from Operations*

ix. *Total Borrowings is calculated as Non-current Borrowings plus Current Borrowings*

x. *Networth is calculated as Total Equity plus Reserves*

xi. *ROE is calculated as Restated Profit attributable to owners of the Company divided by Average Equity for the year. Average Equity is calculated as average of the total equity at the beginning of the year and at the end of the year.*

xii. *RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Average Capital Employed. EBIT is calculated as Profit before tax plus finance costs. Average Capital Employed is calculated as average of the capital employed at the beginning of the year and at the end of the year. Capital Employed is sum total of*

Tangible Net Worth excluding Goodwill and Intangible Assets and Total Debt.

xiii. *Debtors Turnover Ratio is calculated as Revenue from Operations divided by Average Trade Receivables.*

xiv. *Inventory Turnover Ratio is calculated as Cost of Goods Sold divided by Average Inventory*
Cost of Goods Sold is calculated as Cost of Materials consumed plus Purchases of Traded Goods plus Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress.
Average Inventory is calculated as average of the inventory at the beginning of the year and at the end of the year.

xv. *Debt Service Coverage Ratio is calculated as Adjusted Profit divided by Interest Cost on borrowings and Principal Repayments.*
Adjusted Profit is calculated as Profit before tax for the year plus depreciation and amortisation expenses plus finance costs.

xvi. *Net Debt to Equity is Net Debt divided by Total Equity Net Debt is total of Current borrowing and non-current borrowing minus total cash and cash equivalents.*

xvii. *Interest Coverage Ratio is calculated as EBIT (including other income) divided by Interest*

xviii. *Debt equity ratio is calculated as total borrowings divided by Shareholder Equity*

For reconciliation in relation to the Gross Profit, Gross Margin, EBITDA, EBITDA Margin, Return on Equity, Return on Capital Employed, PAT Margin and Gross Fixed Asset Turnover Ratio, see '*Other Financial Information*' on page 355.

Explanation for KPI metrics

Sr. No.	KPI	Explanation
1.	Revenue from operations (₹ million)	Revenue from operations helps management track business income and assess our Company's overall financial performance and scale.
2.	Growth in Revenue from Operations (%)	Growth in Revenue from Operations refers to the percentage increase/decrease in a company's revenue over a given period.
3.	CAGR of revenue from operations (%)	CAGR of revenue from operations indicates the compounded growth rate (Y-o-Y basis)
4.	EBITDA (₹ million)	EBITDA provides information regarding the operational efficiency of the business.
5.	CAGR of EBITDA	CAGR of EBITDA indicates a growth rate at which EBITDA is adjusted (Y-o-Y basis)
6.	EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of the business.
7.	Profit After Tax (₹ million)	Profit After Tax for the Year/period provides information regarding the overall profitability of the business.
8.	Profit After Tax Margin (%)	Profit After Tax Margin is an indicator of the overall profitability and financial performance of the business
9.	Total Borrowings	Total Borrowings is the sum total of current and non-current borrowings.
10.	Net Worth	Net Worth indicates the total value of a company's assets minus its liabilities
11.	Return on Equity (%)	Return on Equity measures how efficiently our Company generates profits using shareholders' funds.
12.	Return on Capital Employed (%)	Return on Capital Employed measures how efficiently our Company generates earnings before finance costs and taxes from the capital employed in the business.
13.	Debtors turnover ratio	Debtors Turnover Ratio indicates the efficiency with which a company collects revenue from its customers
14.	Inventory Turnover Ratio	Inventory turnover ratio measures how quickly a company sells and replenishes its inventory over a given period.
15.	Debt Service Coverage Ratio	Debt Service Coverage Ratio indicates how much cash flow is available against the liability of the Company for repayment of Debt and Interest.

Sr. No.	KPI	Explanation
16.	Net Debt to Equity (x)	Net Debt to Equity measures the extent to which Company can cover our net debt and represents our net debt position in comparison to our equity position. It helps evaluate our financial leverage.
17.	Interest coverage ratio	The interest coverage ratio indicates how easily a company can pay its interest on its debt
18.	Debt equity ratio	Debt-equity ratio is a gearing ratio which compares shareholder's equity to company debt to assess our company's amount of leverage and financial stability.

Our Company shall continue to disclose the Key Performance Indicators disclosed above, on a periodic basis, at least once in a year (or for any lesser period as determined by our Company), for a duration that is at least the later of (i) one year after the listing date or period specified by SEBI; or (ii) till the utilization of the Net Proceeds. Any change in these Key Performance Indicators, during the aforementioned period, will be explained by our Company. The ongoing Key Performance Indicators will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

For details of our other operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see '*Our Business*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' on pages 196 and 360, respectively.

Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financial Statements. We use these KPIs to evaluate our financial and operating performance. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

Comparison with listed industry peers

A. Comparison of Key Performance Indicators with listed industry peers (₹ in million) are as below

a. Comparison with listed industry peers (Fiscal 2024)

(amounts in ₹ million)

Sr. No	Parameters	Allchem Lifescience Limited	Ami Organics Limited	Aether Industries Limited	Shree Ganesh Remedies Limited	Bluejet Healthcare Limited
1	Revenue from operations (₹ million)	1,374.21	6,875.83	5,956.69	1,258.95	7,115.98
2	Growth in Revenue from Operations (%)	29.99	11.49	-8.51	39.54	-1.30

Sr. No	Parameters	Allchem Lifescience Limited	Ami Organics Limited	Aether Industries Limited	Shree Ganesh Remedies Limited	Bluejet Healthcare Limited
3	CAGR of revenue from operations (%)	12.75	14.98	0.48	32.89	2.04
4	EBITDA (₹ million)	522.90	1,076.67	1,314.47	418.10	2,292.30
5	CAGR of EBITDA	44.86	1.18	-11.57	52.74	-4.10
6	EBITDA Margin (%)	38.05	15.66	22.07	33.21	32.21
7	Profit After Tax (₹ million)	234.09	436.86	880.98	281.17	1,637.51
8	Profit After Tax Margin (%)	17.03	6.35	14.79	22.33	23.01
9	Total Borrowings	1,049.66	2,027.30	1,292.03	363.12	0.00
10	Net Worth	798.89	6,751.16	20,689.32	1,221.07	8,452.23
11	Return on Equity (%)	34.33	6.92	5.32	26.65	21.45
12	Return on Capital Employed (%)	22.87	14.63	7.93	27.70	30.13
13	Debtors turnover ratio	5.80	3.10	2.44	5.22	3.42
14	Inventory Turnover Ratio	2.96	3.02	1.08	2.66	2.46
15	Debt Service Coverage Ratio	5.62	2.47	21.24	6.39	90.13
16	Net Debt to Equity (x)	1.31	0.25	-0.21	0.16	-0.10
17	Interest coverage ratio	6.06	18.11	16.00	64.83	1,428.57
18	Debt equity ratio	1.31	0.30	0.06	0.30	0.00

b. Comparison with listed industry peers (Fiscal 2023)

(*amounts in ₹ million*)

Sr. No	Parameters	Allchem Lifescience Limited	Ami Organics Limited	Aether Industries Limited	Shree Ganesh Remedies Limited	Bluejet Healthcare Limited
1	Revenue from operations (₹ million)	1,057.19	6,167.34	6,510.74	902.20	7,209.82
2	Growth in Revenue from Operations (%)	-2.20	18.57	10.34	26.56	5.49
3	CAGR of revenue from operations (%)	12.75	14.98	0.48	32.89	2.04
4	EBITDA (₹ million)	304.42	1,226.62	1,862.52	232.60	2,190.88
5	CAGR of EBITDA	44.86	1.18	-11.57	52.74	-4.10
6	EBITDA Margin (%)	28.80	19.89	28.61	25.78	30.39
7	Profit After Tax (₹ million)	179.89	833.44	1,304.18	170.20	1,600.27
8	Profit After Tax Margin (%)	17.02	13.51	20.03	18.87	22.20
9	Total Borrowings	971.70	33.58	1.06	335.07	0.00

Sr. No	Parameters	Allchem Lifescience Limited	Ami Organics Limited	Aether Industries Limited	Shree Ganesh Remedies Limited	Bluejet Healthcare Limited
10	Net Worth	564.92	5,867.85	12,446.09	889.37	6,814.86
11	Return on Equity (%)	37.84	15.09	15.99	22.62	26.60
12	Return on Capital Employed (%)	23.49	20.76	18.75	24.81	36.24
13	Debtors turnover ratio	4.66	3.15	3.08	3.90	3.09
14	Inventory Turnover Ratio	3.49	2.86	1.54	2.96	2.91
15	Debt Service Coverage Ratio	5.44	316.17	0.92	18.53	32.59
16	Net Debt to Equity (x)	1.72	-0.09	-0.08	0.28	-0.10
17	Interest coverage ratio	15.26	47.49	35.26	196.03	160.39
18	Debt equity ratio	1.72	0.01	0.00	0.38	0.00

c. Comparison with listed industry peers (Fiscal 2022)

(amounts in ₹ million)

Sr. No	Parameters	Allchem Lifescience Limited	Ami Organics Limited	Aether Industries Limited	Shree Ganesh Remedies Limited	Bluejet Healthcare Limited
1	Revenue from operations (₹ million)	1,081.01	5,201.35	5,900.47	712.88	6,834.69
2	Growth in Revenue from Operations (%)	17.27	52.71	31.18	45.24	36.99
3	CAGR of revenue from operations (%)	12.75	14.98	0.48	32.89	2.04
4	EBITDA (₹ million)	249.17	1,051.76	1,681.07	179.20	2,492.64
5	CAGR of EBITDA	44.86	1.18	-11.57	52.74	-4.10
6	EBITDA Margin (%)	23.05	20.22	28.49	25.14	36.47
7	Profit After Tax (₹ million)	141.39	719.47	1,089.29	133.99	1,815.91
8	Profit After Tax Margin (%)	13.08	13.83	18.46	18.80	26.57
9	Total Borrowings	495.33	8.44	2,850.75	0.00	0.00
10	Net Worth	385.76	5,180.04	3,868.88	615.74	5,215.42
11	Return on Equity (%)	48.69	21.10	38.82	24.02	42.16
12	Return on Capital Employed (%)	35.76	23.89	30.30	32.80	54.01
13	Debtors turnover ratio	4.19	6.43	7.22	7.76	6.01
14	Inventory Turnover Ratio	5.44	3.16	2.33	2.81	2.58
15	Debt Service Coverage Ratio	3.62	0.63	5.35	115.75	10.58
16	Net Debt to Equity (x)	1.28	-0.19	0.69	-0.06	-0.14
17	Interest coverage ratio	6.93	15.27	12.16	124.49	74.71

Sr. No	Parameters	Allchem Lifescience Limited	Ami Organics Limited	Aether Industries Limited	Shree Ganesh Remedies Limited	Bluejet Healthcare Limited
18	Debt equity ratio	1.28	0.00	0.74	0.00	0.00

Notes

i. *Revenue from Operations means the Revenue from Operations as appearing in the Financial Information*

ii. *Revenue Growth (%) is calculated as Revenue from operations for the current year minus Revenue from operations for the previous year as a % of Revenue from operations for the previous year.*

iii. *CAGR of Revenue from Operations is calculated as Revenue from Operations as on March 31, 2024 divided by Revenue from Operations as on March 31, 2022 ^ ½ - 1. ½ is no. of periods*

iv. *EBITDA is calculated as Profit before tax for the year, plus finance costs and depreciation and amortisation expenses, less other income*

v. *CAGR of EBITDA is calculated as EBITDA for the year ended March 31, 2024 divided by EBITDA for the year ended March 31, 2022 ^ ½ - 1. ½ is no. of periods*

vi. *EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations*

vii. *Profit after tax (PAT) refers to Profit/(Loss) for the year from Continuing Operations as appearing in the Financial Information*

viii. *PAT Margin (%) is calculated as Profit for the year as a percentage of Revenue from Operations*

ix. *Total Borrowings is calculated as Non-current Borrowings plus Current Borrowings*

x. *Networth is calculated as Total Equity plus Reserves*

xi. *ROE is calculated as Profit attributable to owners of the Company divided by Average Equity for the year. Average Equity is calculated as average of the total equity at the beginning of the year and at the end of the year.*

xii. *RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Average Capital Employed. EBIT is calculated as Profit before tax plus finance costs. Average Capital Employed is calculated as average of the capital employed at the beginning of the year and at the end of the year. Capital Employed is sum total of Tangible Net Worth excluding Goodwill and Intangible Assets and Total Debt.*

xiii. *Debtors Turnover Ratio is calculated as Revenue from Operations divided by Average Trade Receivables.*

xiv. *Inventory Turnover Ratio is calculated as Cost of Goods Sold divided by Average Inventory*
Cost of Goods Sold is calculated as Cost of Materials consumed plus Purchases of Traded Goods plus Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress.
Average Inventory is calculated as average of the inventory at the beginning of the year and at the end of the year.

xv. *Debt Service Coverage Ratio is calculated as Adjusted Profit divided by Interest Cost on borrowings and Principal Repayments.*
Adjusted Profit is calculated as Profit before tax for the year plus depreciation and amortisation expenses plus finance costs.

xvi. *Net Debt to Equity is Net Debt divided by Total Equity Net Debt is total of Current borrowing and non-current borrowing minus total cash and cash equivalents.*

xvii. *Interest Coverage Ratio is calculated as EBIT (including other income) divided by Interest*

xviii. *Debt equity ratio is calculated as total borrowings divided by Shareholder Equity*

(i) Weighted average cost of acquisition (WACA), floor price and cap price

a. *The price per share of the Company based on the primary/ new issue of shares (equity/ convertible securities)*

Our Company has not issued any Equity Shares (excluding bonus shares) or convertible securities or employee stock options during the 18 months preceding the date of this DRHP, where such issuance is equal to or more that 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

b. *The price per share of the Company based on secondary sale/ acquisitions of shares (equity/ convertible securities)*

There have been no secondary sale/ acquisitions of Equity Shares or any convertible securities, where our Promoter or the members of our Promoter Group are a party to a transaction, during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-

Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Since there are no such transactions to report to under (a) and (b), the following are the details based on the last 5 primary or secondary transactions (secondary transactions where Promoter or members of the Promoter Group are a party to the transaction), not older than 3 years prior to the date of this DRHP irrespective of the size of transactions:

Last 5 Primary issuances / secondary transactions:

Date of transaction	Number of Equity Shares allotted	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Nature of transaction	Nature of consideration	Total consideration (₹)
April 11, 2022	752,235	10	67.00	Right Issue in the ratio of 625 equity shares for every 2908 equity shares held by the shareholders as on record date i.e., March 28, 2022	Cash	50,399,745
August 5, 2024	25	10	204.00	Transfer from Kantilal	Cash	5,100
Total						**50,404,845**

For further details in relation to the share capital history of our Company, see '*Capital Structure*' on page 81.

Based on the above transactions, below are the details of the weighted average cost of acquisition, as compared to the Floor Price and the Cap Price:

Past Transactions	Weighted average cost of acquisition (in ₹)	Floor Price (i.e. ₹ *[●]*)*	Cap Price (i.e. ₹ *[●]*)*
Past 5 primary issuances /secondary transactions, as disclosed above	67.00	[●] times	[●] times

** To be updated at Prospectus Stage*

Weighted Average cost of Acquisition (WACA) to Cap Price

Period	WACA (₹)	Floor Price (₹ [●]) is 'X' times the WACA	Cap Price (₹ [●]) is 'X' times the WACA
For 3 years	0.69	[●]	[●]
Last 18 months	0.00	[●]	[●]
For 1 year	0.00	[●]	[●]

8. Justification for Basis for the Offer Price

Detailed explanation for Offer Price/Cap Price being [●] times of WACA of past 5 primary issuances /secondary transactions of Equity Shares (as disclosed above) along with our Company's Key Performance Indicators and financial ratios for the 6 months ended September 30, 2024 and the Fiscal 2024, Fiscal 2023 and Fiscal 2022 and in view of the external factors which may have influenced the pricing of the offer, if any.

[●]*

**To be included upon* finalisation *of Price Band*

9. The Offer Price will be [●] times of the face value of the Equity Shares

The Offer Price of ₹ [●] has been determined by our Company, in consultation with the BRLM, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters. Investors should read the above information along with '*Risk Factors*', '*Our Business*', '*Restated Financial Statements*' and '*Management's Discussion and Analysis of Financial Conditions and Results of Operations*' on pages 27, 196, 261, and 360. The trading price of the Equity Shares could decline due to the factors mentioned in '*Risk Factors*' or any other factors that may arise in the future and you may lose all or part of your investments.

10. Disclosure of KPIs

Our Company shall continue to disclose the KPIs disclosed above on a periodic basis, at least once in a year (or a lesser duration, as our Company may determine) for a duration that is at least the later of (i) 1 year after the listing date or the period specified by SEBI; (ii) till the utilisation of the Net Proceeds. Any changes in these KPIs in the aforementioned period, will be explained by our Company. The ongoing KPI will continue to be certified by a member of an expert body as specified under the SEBI ICDR Regulations.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,
The Board of Directors,
Allchem Lifescience Limited
Block No: - 1088/B/P,1088-A,
Lamdapura Road, Village Manjusar,
Tal-Savli, Vadodara,
Vadodara, Gujarat, India, 391775

Emkay Global Financial Services Limited
7th Floor, The Ruby, Senapati Bapat Marg,
Dadar - West
Mumbai - 400 028,
Maharashtra, India

(Emkay Global Financial Services Limited is hereinafter referred to as the **BRLM** or **Book Running Lead Manager**)

Sub: Proposed initial public offering of equity shares of ₹10 each (Equity Shares) by Allchem Lifescience Limited (Company) through a fresh issue of Equity Shares and an offer for sale of the Equity Shares by Selling Shareholders (Offer).

Dear Sirs,

We, M/s Talati & Talati LLP, Chartered Accountants (Firm Registration Number: 110758W/W100377), the statutory auditor of the Company, hereby confirm that the enclosed statement in the Annexure prepared by the Company and initialled by us and the Company for identification purpose (**Statement**) is true and correct and sets out the possible special tax benefits available to the Company and its Shareholders, under direct tax and indirect tax laws presently in force in India, including the Income-tax Act, 1961, as amended by the Finance Act, 2025 read with rules, circular and notification issued thereunder (**ITA**) i.e., applicable for the Financial Year 2025-26 relevant to the assessment year 2026-27, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, (**GST Act**) read with Rules, Circulars, and Notifications, Customs Act, 1962 and the Customs Tariff Act, 1975 and Foreign Trade Policy 2015-2020 (**FTP**) as amended by the Finance Act, 2025, i.e., applicable for the Financial Year 2025-26 relevant to the Assessment Year 2026-27, presently in force in India (collectively the **Taxation Laws**) read with the rules, regulations, circulars and notifications issued thereon, as applicable to the assessment year 2026-27 relevant to the financial year 2025-26.

Several of these benefits are dependent on the Company, its Shareholder, as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company and its Shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its Shareholders face in the future, the Company, its Shareholders may or may not choose to fulfil.

This statement of possible special tax benefits is required as per Schedule VI (Part A) (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (**SEBI ICDR Regulations**). While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company and its Shareholders, the same would include those benefits as enumerated in the statement. Any benefits under the Taxation Laws other than those specified in the statement are considered to be general tax benefits and therefore not covered within the ambit of this statement. Further, any benefits available under any other laws within or outside India, except for those specifically mentioned in the statement, have not been examined and covered by this statement.

Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

The benefits discussed in the enclosed statement cover the possible special tax benefits available to the Company, its Shareholders, and do not cover any general tax benefits available to them. In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

The benefits stated in **Annexure A** of this certificate, for possible special tax benefits available to the Company, its Shareholders are not exhaustive, and the preparation of the contents stated is the responsibility of the Company. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the distinct nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Offer and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. Also, any tax information included in this written communication was not intended or written to be used, and it cannot be used by the Company or the investor, for the purpose of avoiding any penalties that may be imposed by any regulatory, governmental taxing authority or agency.

We do not express any opinion or provide any assurance as to whether:

a. The Company, its Shareholders, will continue to obtain these benefits in the future;

b. The conditions prescribed for availing of the benefits have been/would be met with; and

c. The revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firm or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.

We hereby consent to the extracts of this certificate being used in the draft red herring prospectus to (**DRHP**) be filed with the Securities and Exchange Board of India (**SEBI**), the BSE Limited (**BSE**) and the National Stock Exchange of India Limited (**NSE** and together with the BSE, the **Stock Exchanges**), and the red herring prospectus **(RHP)** and the prospectus (**Prospectus** and together with the DRHP and the RHP, the '**Offer Documents'**) to be filed with the Registrar of Companies, Gujarat at Ahmedabad (**RoC**) and submitted to the SEBI and the Stock Exchanges in connection with the Offer, and submission of this certificate as may be necessary, to any regulatory authority statutory, judicial or governmental authorities, and in any other material used in connection with the Offer and for disclosure on the website of the Company in connection with the Offer and/or for the records to be maintained by the Book Running Lead Manager in connection with the Offer and in accordance with applicable law. We also consent to this certificate to be uploaded on the website, repository and, or, the database of the Stock Exchanges.

We have conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes' (Revised 2016) issued by the Institute of Chartered Accountants of India (**ICAI**) which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI and in accordance with 'Guidance Note on Reports in Company Prospectuses' (Revised 2019). We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the ICAI. We have also complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We confirm that the information in this certificate is true, fair, complete, accurate, not misleading and correct and there is no untrue statement of a material fact or omission which could render the contents of this certificate misleading in its form or context. We hereby consent to the extracts of this certificate being used in the Offer Documents, and in any other material used in connection with the Offer and on the website of the Company in connection with the Offer. We hereby consent to this certificate being disclosed by the Book Running Lead Manager, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authorities or (ii) in seeking to establish a defence in connection with, or to avoid any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation related to any matter regarding issuance and listing of the equity shares of the Company. We undertake to update you, in writing, of any change in the above-mentioned disclosures which we are aware of until the Equity Shares allotted, pursuant to the Offer, are listed and commence trading on the Stock Exchanges. In the absence of any such communication from us, the above information should be considered as updated information until the Equity Shares commence trading on the Stock Exchanges, pursuant to the Offer.

This certificate may be relied on by the Book Running Lead Manager, its affiliates and the legal counsel in relation to the Offer and to assist the Book Running Lead Manager in the context of due diligence procedures that the Book Running Lead Manager has to conduct and the documents in relation of their investigation of the affairs of the Company in connection with the Offer.

All capitalized terms not defined herein bear the meaning ascribed to them in the Offer Documents.

Yours sincerely,

For M/s Talati & Talati LLP
Chartered Accountants
Firm Registration No: 110758W/W100377

CA. Manish Baxi
(Partner)
Membership No.: 045011
Date: March 13, 2025
Place: Vadodara
UDIN: 25045011BMNSKW1302

Cc:
Legal Counsel to the Offer

Bharucha & Partners
13th Floor, Free Press House,
Free Press Journal Marg,
Nariman Point,
Mumbai, Maharashtra 400021

STATEMENT OF TAX BENEFITS

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SHAREHOLDERS UNDER INCOME TAX ACT, 1961 (ITA), THE CENTRAL GOODS AND SERVICES TAX ACT, 2017, THE INTEGRATED GOODS AND SERVICES TAX ACT, 2017 AND THE APPLICABLE STATES' GOODS AND SERVICES TAX ACTS.

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHARE HOLDERS

I. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY UNDER THE INCOME TAX ACT, 1961

The Statement of possible special tax benefits enumerated below is as per the Income Tax Act 1961 ("ITA") as amended from time to time and as applicable for Financial Year ("FY") 2025-26 relevant to Assessment Year ("AY") 2026-27.

1. Lower corporate tax rate under Section 115BAA of ITA :

Section 115BAA inserted w.e.f. 1st April 2020 (AY 2020-21), provides an option to a domestic company to pay Corporate Tax at a reduced rate of 22% (Plus applicable Surcharge and education cess[1]).

In case the Company opts for the concessional income tax rate as prescribed under Section 115BAA of the ITA, it will not be allowed to claim any of the following deductions/ exemptions:

- Deduction under the provisions of Section 10AA (deduction for units in Special Economic Zone);
- Deduction under clause (iia) of sub-section (1) of Section 32 (Additional depreciation);
- Deduction under Section 32AD or Section 33AB or Section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund); Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of Section 35 (Expenditure on scientific research);
- Deduction under Section 35AD or Section 35CCC (Deduction for specified business, agricultural extension project);
- Deduction under Section 35CCD (Expenditure on skill development);
- Deduction under any provisions of Chapter VI-A other than the provisions of Section 80JJAA (Deduction in respect of employment of new employees) and 80M (Deduction in respect of certain inter-corporate dividends);
- No set-off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;
- No set-off of any loss or allowance for unabsorbed depreciation deemed so under Section 72A, if such loss or depreciation is attributable to any of the deductions referred above.

The provisions of Section 115JB regarding Minimum Alternate Tax ("MAT") are not applicable if the Company opts for the concessional income tax rate as prescribed under Section 115BAA of the ITA. Consequently, the Company will not be entitled to claim tax credit relating to MAT.

[1] *Surcharge at 10% on the tax liability and further, enhanced by an education cess at 4% of the total taxability and surcharge*

2. **Additional depreciation on plant & machinery in the year of acquisition under Section 32(1)(iia) of the ITA**

The deduction of additional depreciation in the year of acquisition is available for new plant & machinery (excluding ships and aircraft) acquired and installed after March 31, 2005, by an assessee engaged in manufacturing, production, or power generation/distribution.

The benefit is available to the company and can be availed on acquisition of new plant & machinery.

<u>Deductions from Gross Total Income</u>

3. **Deduction in respect of employment of new employees under Section 80JJAA of the ITA**

Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction under the provisions of Section 80JJAA of the ITA, of an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

The deduction u/s 80JJAA of the ITA shall be applicable even if the Company avail the benefits of the special rate u/s 115BAA of the ITA.

4. **Deduction in respect of certain inter-corporate dividends under Section 80M of ITA**

A new Section 80M had been inserted by the Finance Act, 2020 w.e.f. FY 2020-21 providing for deduction from gross total income of a domestic company, of an amount equal to dividends received by such company from another domestic company or a foreign company or a business trust to the extent it does not exceed the amount of dividend distributed by it on or before one month prior to the date of filing its tax return as prescribed under Section 139(1) of the ITA.

Where the company receives any such dividend during a FY and also, distributes dividend to its shareholders before the aforesaid date, as may be relevant to the said FY, it shall be entitled to the deduction under Section 80M of the ITA.

The deduction u/s 80M of the ITA shall be applicable for the company availing the benefits of the special rate u/s 115BAA of the ITA.

II. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO SHAREHOLDERS OF THE COMPANY

There is no special direct tax benefit available to the shareholders of Company for investing in the shares of the Company

1. **Dividend Income:** Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, maximum rate of surcharge would be restricted to 15%, irrespective of the amount of dividend. Further in case shareholder is a domestic company, deduction under Section 80Mof the ITA would be available on fulfilling the conditions as mentioned above.

2. **Tax on Capital gains:** As per Section 112A of the ITA, long-term capital gains arising from transfer of equity shares, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 12.5% (without indexation) of such capital gains subject to payment of securities transaction tax on acquisition and transfer of equity shares and on the transfer of unit of an equity-oriented fund or a unit of a business trust under Chapter VII of Finance Act, 2004 read with Notification No. 60/2018/No. No.370142/9/2017-TPL dated 1 October 2018. However, no tax under the said section shall be levied where such capital gains does not exceed INR 1,25,000 in a financial year.

Further, as per Section 111A of the ITA, short term capital gains arising from transfer of an equity share, or a unit of an equity-oriented fund or a unit of a business trust shall be taxed at 15% subject to fulfillment of prescribed conditions under the ITA.

3. **Simplified/New tax regime:** As per Section 115BAC of the ITA, a simplified/new tax regime has been introduced wherein income-tax shall be computed at the rates specified in sub-section 1 of Section 115BAC of the ITA, subject to the assessee not availing specified exemptions and deductions. The said regime was initially applicable for individuals and Hindu Undivided Family.

   In order to make more attractive the new tax regime Section 115BAC, the Finance Act, 2025 with effect from FY 2025-26, certain additional benefits have been provided which are listed as under:

   – Basic exemption limit has increased from INR 3,00,000 to INR 4,00,000;

   – Under the new tax regime, Nil income-tax on income up to INR 12 lakh for personal income-tax.

   – Income threshold for the tax rebate available for resident individuals has been increased from INR 7,00,000 to INR 12,00,000 (i.e. Rebate U/s. 87A[(1)] limit has increased from INR 25000 to INR 60000.);

   – Benefit of standard deduction has increased from INR 50,000 to INR 75,000 on salary income.

   – Highest applicable surcharge on income above has been reduced from 37% to 25%;

   It may be noted that the shareholders have the discretion to exercise the simplified tax regime.

   [(1)] Rebate U/s. 87A is not available on tax on income chargeable at special rate (e.g. Capital Gains u/s. 111A, 112, etc.)

4. **Double Taxation Avoidance Agreement benefit:** In respect of non-resident shareholders, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile and fulfillment of other conditions to avail the treaty benefit.

STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

The Statement of possible tax benefits enumerated below is per the Central Goods and Services Tax Act, 2017 ('CGST Act'), the Integrated Goods and Services Tax Act, 2017 ('IGST Act'), the Union Territory Goods and Services Tax Act, 2017 ('UTGST Act'), respective State Goods and Services Tax Act, 2017 ('SGST Act') (all these legislations collectively referred to as 'GST Legislation'), the Customs Act, 1962, the Customs Tariff Act, 1975 and Foreign Trade Policy 2023 (collectively referred to as "Indirect Tax") as amended from time to time and as applicable for FY 2025-26.

I. Special Indirect tax benefits available to the Company under the Indirect tax

The benefits mentioned hereunder pertains to activities of the company. It is availed or available on performing of the specific relevant transaction. The applicability shall vary in case of any change in terms of the transaction as performed for an ongoing business.

i. Benefit under Foreign Trade Policy 2024

- The company may avail benefit under **Export Promotion Capital Goods (EPCG) Scheme** which allows companies to import capital goods at zero customs duty, contingent upon meeting specified export obligations.

- **The Remission of Duties and Taxes on Exported Products** (**RoDTEP**) scheme offers a rebate to eligible exporters on the duties, taxes, and levies they incur while manufacturing and distributing goods. The scheme was launched in January 2021 and has been extended until September 30, 2025 for exports made from domestic tariff area (DTA) units. The scheme's benefits include:

- **Rebates -** Exporters receive a rebate as a percentage of the FOB value or a fixed amount per unit of the exported product. The current rates range from 0.3% to 4.3%.

- **No refund dependency -** The rebate is not dependent on the realization of export proceeds at the time of issue. However, the rebate is subject to the receipt of sale proceeds within the time allowed under the Foreign Exchange Management Act, 1999.

- **Neutralizes costs -** The scheme's objective is to neutralize the costs on exported goods by providing rebates on hidden taxes and duties.

- **Boost exports -** The scheme is intended to help boost exports in India.

ii. Benefits under Customs Act (read with Tariff Act and related rules and regulations)

Benefit of exemption on import of goods under section 25 of the Customs Act

As per section 25 of the Customs Act, the Central Government is empowered to exempt whole or part of customs duty leviable on import of goods. The Company may availing such exemption benefit on import of equipment under below mentioned notifications issued by the Central Government:

– Notification No. 50/2017 - Customs dated 30th June 2017 (as amended)

– Notification No. 57/2017 - Customs dated 30th June 2017 (as amended)

– Notification No. 24/2005 - Customs dated 1st March 2005 (as amended)

iii. Benefits under the Central Goods and Services Act, 2017, respective State / Union Territory Goods and Services Tax Act, 2017 and Integrated Goods and Services Tax Act, 2017 (read with relevant rules prescribed thereunder):

Under the GST regime, supplies of goods or services which qualify as ‘export’ of goods or services are treated as zero-rated supplies which can be supplied either with or without payment of Integrated Goods and Services Tax (hereinafter referred to as “IGST”) subject to fulfilment of conditions prescribed. The exporter has the options as under:

To undertake exports under cover of a Bond/ Letter of Undertaking (hereinafter referred to as “LUT”) without payment of IGST and claim refund of accumulated Input Tax Credit subject to fulfilment of conditions prescribed under the provisions of Section 54 of the Central Goods and Services Tax Act, 2017.

To undertake export with payment of IGST and claim refund of IGST paid on such exports as per the provisions of Section 54 of the Central Goods and Services Tax Act, 2017.

Thus, the GST law permits a supplier undertaking zero rated supplies (which will include the supplier making supplies to SEZ) to claim refund of tax paid on exports as IGST (by undertaking exports on payment of tax using ITC) or export without payment of tax by executing a Bond/ LUT and claim refund of related ITC of taxes paid on inputs and input services used in making zero rated supplies. The Company undertakes export of goods without payment of IGST basis the LUT as prescribed under the GST law. In such case, it will have the option of claiming refund of unutilized input tax credit, subject to fulfilment of all prescribed conditions. Currently, the Company is able to utilise its input tax credit and is not exercising the option of filing a refund claim.

II. Special indirect tax benefits available to shareholders of the Company under the Indirect tax laws

There are no special indirect tax benefits available to shareholders of the Company by virtue of their investment in the Company.

NOTES

- The above statements cover only certain possible special tax benefits under the taxation laws, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.

- The above Statement of possible special tax benefits sets out the provisions of Indian tax laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

- This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing taxation laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the proposed offer.

- No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION V: ABOUT THE COMPANY

INDUSTRY OVERVIEW

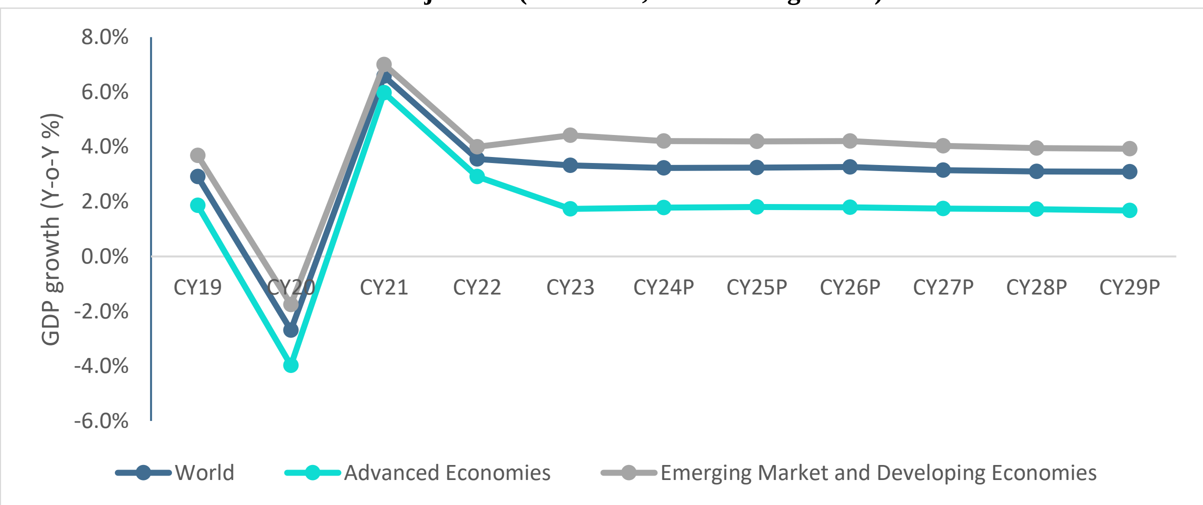
Unless otherwise indicated, the industry and market data used in this section has been obtained or extracted from the report titled 'Research Report on API Intermediates Industry' dated March 10, 2025 prepared and issued by CARE, appointed by us pursuant to engagement letter dated August 1, 2025, and exclusively commissioned and paid for by us in connection with the Offer has been reproduced in full. No material information has been left out while extracting the CARE Report. Unless otherwise indicated, all financial, operations, industry and other related information derived from the CARE Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. CARE was appointed by our Company and is not connected to our Company, our Directors, our Promoters, our Key Managerial Personnel, Senior Management or the BRLM. A copy of the CARE Report is available on the website of our Company at https://allchemlifescience.com/ipo-offer-documents.php*. The data used in industry sources and publications may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. The data used in the industry sources and publication involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the 'Risk Factors' on page 27. Accordingly, investors should not place undue reliance on, or base their investment decision on this information. Industry sources and publications may also base their information on estimates, projections, forecasts, and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The investors should not construe any of the contents set out in this section as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.*

1. Economic Outlook

1.1. Global Economy

Global growth, which stood at 3.3% in CY23, is anticipated to fall to 3.2% in CY24 and then bounce back again to 3.3% in CY25. The CY24 forecast has remained the same compared to the April 2024 World Economic Outlook (WEO) Update and increased by 0.1 percentage point compared to the January 2024 WEO. Despite this, the expansion remains historically low, attributed to factors including sustained high borrowing costs, inflation woes, reduced fiscal support, lingering effects of Russia's Ukraine invasion, Iran–Israel Cold War, sluggish productivity growth, and heightened geo-economic fragmentation.

Chart 1: Global Growth Outlook Projections (Real GDP, Y-o-Y change in %)



Source: IMF – World Economic Outlook, October 2024; P-Projection

Table 1: GDP growth trend comparison - India v/s Other Economies (Real GDP, Y-o-Y change in %)

	Real GDP (Y-o-Y change in %)									
	CY20	CY21	CY22	CY23	CY24P	CY25P	CY26P	CY27P	CY28P	CY29P
Emerging Market and Developing Economies[1]										
India	-5.8	9.7	7.0	8.2	7.0	6.5	6.5	6.5	6.5	6.5
China	2.2	8.5	3.0	5.3	4.8	4.5	4.1	3.6	3.4	3.3
Brazil	-3.3	4.8	3.0	2.9	3.0	2.2	2.3	2.4	2.5	2.5
Advanced Economies[1]										
Japan	-4.2	2.7	1.2	1.7	0.3	1.1	0.8	0.6	0.6	0.5
Euro Area	-6.1	5.9	3.4	0.5	0.9	1.5	1.4	1.3	1.3	1.2
United States	-2.2	5.8	1.9	2.5	2.6	1.9	2.0	2.1	2.1	2.1

Source: IMF- World Economic Outlook Database (October 2024); P-Projection
1

Advanced Economies Group

Growth in Advanced Economies remained the same at 1.7% in CY23 and CY24 and is expected to increase to 1.8% in CY25.

The **United States** is expected to see growth rise to 2.6% in CY24, followed by a slight slowdown to 1.9% in CY25. This deceleration is attributed to gradual fiscal tightening and labor market softening, which dampen aggregate demand. The CY24 projection has been revised downward by 0.1 percentage points since the April CY24 WEO Update. This revision primarily reflects carryover effects from stronger-than-expected growth in the fourth quarter of CY23, with some of this momentum expected to continue into CY24. While **Japan** is expected to face downward pressure in CY24. This can be attributed to downward revisions in corporate and household spending that have led to the decline. Rising inflation and growing yen has been challenging for Japanese economy.

The **Euro Area's** growth is anticipated to rebound from its sluggish rate of 0.5% in CY23, mainly influenced by significant exposure to the conflict in Ukraine. Projections indicate an increase to 0.9% in CY24 and further to 1.5% in CY25. This recovery is driven by stronger household consumption, as the impact of elevated energy prices diminishes, and declining inflation bolsters real income growth. Additionally, strong momentum in services, higher than expected net exports, and higher investments have further driven this growth. But countries like Germany are expected to have a sluggish recovery on account of weak manufacturing growth.

Emerging Market and Developing Economies Group

Emerging markets and developing economies are forecasted to maintain stable growth at 4.3% in both CY24 and CY25. This forecast has been revised upwards by 0.1 percentage point as compared to the April 2024 WEO update on account of stronger activity in Asia, particularly China and India. Growth prospects in economies across the Middle East and Central Asia continue to be weighed down by oil production and regional conflicts. Low-income developing countries are expected to experience a gradual growth uptick, starting at 3.9% in CY23 and climbing to 4.4% in CY24 and 5.3% in CY25, as certain constraints on near-term growth begin to ease.

The economic forecast for emerging and developing Asia reveals a modest deceleration in growth, with projections indicating a decline from 5.7% in CY23 to 5.4% in CY24 and 5.1% in CY25.

[1] The IMF World Economic Outlook classifies 39 economies as "advanced," based on such factors as high per capita income, exports of diversified goods and services, and greater integration into the global financial system. The remaining countries are classified as "emerging market and developing" economies.

China's trajectory reflects a slowdown, transitioning from 5.2% in CY23 to 5.0% in CY24 and 4.5% in CY25 due to fading post-pandemic stimuli and ongoing property sector challenges. While in the pharma space, with its large population and government support for healthcare improvements, China has become a key player in both the production and consumption of pharmaceuticals products. It has a rapidly growing domestic market and is also a major exporter of active pharmaceutical ingredients (APIs) and intermediates. The country aims to lead in biopharmaceuticals, with ongoing policy support and funding for local development.

In contrast, **India's** growth remains robust, with anticipated rates of 7.0% in CY24 and 6.5% in CY25, bolstered by resilient domestic demand and a burgeoning working-age populace.

On the other hand, **Brazil's** growth is projected to ease to 2.1% in CY24, driven by fiscal consolidation, the lingering impact of tight monetary policies, and reduced contributions from the agricultural sector. There has been a downward revision in forecast for CY24 compared to April 2024 WEO update on account of the near-term impact of flooding. Going forward, GDP is expected to grow at 2.4% in CY25 on account of reconstruction following the floods and supportive structural factors. Brazil has a strong domestic market for pharmaceuticals, with government-driven demand for affordable drugs. Investment in biotech and local production is rising, driving the growth in the pharmaceutical space.

Despite the turmoil in the last 2-3 years, India bears good tidings to become a USD 5 trillion economy by CY27. According to the IMF dataset on Gross Domestic Product (GDP) at current prices, the nominal GDP has been at USD 3.6 trillion for CY23 and is projected to reach USD 5.3 trillion by CY27 and USD 6.4 trillion by CY29. India's expected GDP growth rate for coming years is almost double compared to the world economy.

Besides, India stands out as the fastest-growing economy among the major economies. The country is expected to grow at more than 6.5% in the period of CY24-CY29, outshining China's growth rate. By CY27, the Indian economy is estimated to emerge as the third-largest economy globally, hopping over Japan and Germany. The growth is expected to be supported by sectors such as IT, Pharma, Energy, FMCG and Infrastructure. India is also known as the "pharmacy of the world" being one of the largest producers of generic drugs and API intermediates. Its cost-effective manufacturing, skilled workforce, and regulatory improvements make it a major player in global pharmaceutical supply chains. India is poised to lead its growth in the pharmaceutical sector along with focused government initiatives coupled with increased emphasis on healthcare is expected to support economic expansion of the country.

Currently, it is the third-largest economy globally in terms of Purchasing Power Parity (PPP) with a ~7.6% share in the global economy, with China [~18.7%] on the top followed by the United States [~15.6%]. Purchasing Power Parity is an economic performance indicator denoting the relative price of an average basket of goods and services that a household needs for livelihood in each country.

Despite Covid-19's impact, high inflationary environment and interest rates globally, and the geopolitical tensions in Europe, India has been a major contributor to world economic growth. India is increasingly becoming an open economy as well through growing foreign trade. Despite the global inflation and uncertainties, Indian economy continues to show resilience. This resilience is mainly supported by stable financial sectors backed by well-capitalized banks and export of services in trade balance. With this, the growth of Indian economy is expected to fare better than other economies majorly on account of strong investment activity bolstered by the government's capex push and buoyant private consumption, particularly among higher income earners.

1.2. Indian Economic Outlook

1.2.1. GDP Growth and Outlook

Resilience to External Shocks remains Critical for Near-Term Outlook

India's real GDP grew by 7.0% in FY23 and stood at ~Rs. 161 trillion, as per the First Revised Estimate, despite the pandemic in previous years and geopolitical Russia-Ukraine spillovers. In Q1FY24, economic growth accelerated to 8.2%. The manufacturing sector maintained an encouraging pace of growth, given the favorable demand conditions and lower input prices. The growth was supplemented by a supportive base alongside robust services and construction activities. This momentum remained in the range in Q2FY24 with GDP growth at 8.1%, mainly supported by acceleration in investments. However, private consumption growth was muted due to weak rural demand and some moderation in urban demand amid elevated inflationary pressures in Q2FY24. The GDP growth figures improved for Q3FY24 to 8.6%.

India's GDP at constant prices surged to Rs. 47.24 trillion in Q4FY24 from Rs. 43.84 trillion in Q4FY23, marking a 7.8% growth rate. This upswing was fueled by robust performances in construction, mining & quarrying, utility services, and manufacturing sectors and investment drove the GDP growth, while both private and government consumption remained subdued.

Real GDP in the year FY24 is estimated to grow at 8.2% at Rs. 173.82 trillion as per provisional estimate of the Ministry of Statistics and Programme Implementation. It is expected that domestic demand, especially investment, to be the main driver of growth in India, amid sustained levels of business and consumer confidence.
In Q1FY25, the real GDP grew by 6.7% y-o-y, hitting a 15-month low, as compared to 8.2% y-o-y in the previous quarter. Private consumption, a key driver of the GDP, showed resilience increasing by 7.45% while government spending contracted by 0.24%. This growth was largely driven by elections and extreme summer conditions, which impacted economic activities across several sectors.

GDP Growth Outlook

- Driven by fixed investment and improving global environment, domestic economic activity continues to expand. The provisional estimates (PE) placed real GDP growth at 8.2% for FY24.

- Industrial activity led by manufacturing continues its momentum on the back of strengthening domestic demand. Moreover, the services sector-maintained buoyancy could be observed by growth in high frequency indicators such as E-way bills, GST revenues, toll collections, aggregate, and a healthy growth in domestic air cargo and port cargo. The purchasing managers' index for both manufacturing and services continues to exhibit a sustained and healthy expansion.

- Domestic economic activity remains strong. On the supply side, the south-west monsoon is progressing well, with higher cumulative kharif sowing and improving reservoir levels, which bodes well for kharif output. The potential development of La Niña conditions in the latter half of the monsoon season could impact agricultural production in 2024-25. On the demand side, household consumption is bolstered by a recovery in rural demand and consistent discretionary spending in urban areas. Fixed investment activity is robust, supported by the government's ongoing focus on capital expenditure, healthy balance sheets of banks and corporates, and other policy measures. Private corporate investment is picking up, driven by an increase in bank credit. Merchandise exports grew in June, albeit at a slower rate, while the growth in non-oil-non-gold imports accelerated, indicating resilience of domestic demand. Services exports saw double-digit growth in May 2024 before slowing down in June 2024.

- Improved agricultural activity would improve rural consumption, while urban consumption would be supported by buoyancy in services activity. Additionally, improvement in global trade prospects are expected to support external demand.

Persistent geopolitical tensions and volatility in international financial markets and geo-economic fragmentation do pose risk to this outlook. Based on these considerations, the RBI, in its August 2024 monetary policy, has projected real GDP growth at 7.2% y-o-y for FY25.

Table 2: RBI's GDP Growth Outlook (Y-o-Y %)

FY25P (complete year)	Q3FY25P	Q4FY25P	Q1FY26P	Q2FY26P
6.6%	6.8%	7.2%	6.9%	7.3%

Source: Reserve Bank of India; P: Projected

1.2.2. Gross Value Added (GVA)

Gross Value Added (GVA) is the measure of the value of goods and services produced in an economy. GVA gives a picture of the supply side whereas GDP represents consumption.

Industry and Services sector leading the recovery charge

• The gap between GDP and GVA growth turned positive in FY22 (after a gap of two years) due to robust tax collections. Of the three major sector heads, the service sector has been the fastest-growing sector in the last 5 years.

• The **agriculture sector** was holding growth momentum till FY18. In FY19, the acreage for the rabi crop was marginally lower than the previous year, which affected the agricultural performance. Whereas FY20 witnessed growth on account of improved production. During the pandemic-impacted period of FY21, the agriculture sector was largely insulated as timely and proactive exemptions from COVID-induced lockdowns to the sector facilitated uninterrupted harvesting of rabi crops and sowing of kharif crops. However, supply chain disruptions impacted the flow of agricultural goods leading to high food inflation and adverse initial impact on some major agricultural exports. However, performance remained steady in FY22.

In FY23, the agriculture sector performed well despite weather-related disruptions, such as uneven monsoon and unseasonal rainfall, impacting yields of some major crops and clocked a growth of 4% y-o-y, garnering Rs. 22.3 trillion.

In Q1FY24, this sector expanded at a slower pace of 3.7% y-o-y growth compared to y-o-y growth a quarter ago. This further stumbled to 1.7% in Q2FY24. Further, it experienced y-o-y growth of 0.4% in Q3 and 0.6% in Q4. leading to expectations of a modest 1.4% rise for the full year, contrasting sharply with the 4.7% growth recorded in FY23. In the Budget 2024-25, the government plans to boost private and public investment in post-harvest activities and expand the application of Nano-DAP across agro-climatic zones. Strategies for self-reliance in oilseeds and dairy development are to be formulated, alongside ramping up the Pradhan Mantri Matsaya Sampada Yojana and establishing Integrated Aquaparks. Allocation for PM-Formalisation of Micro Food Processing Enterprises scheme has increased from Rs. 639 in FY24 to Rs. 880 crores in FY25.

Going forward, rising bank credit in the sector and increased exports will be the drivers for the agriculture sector. However, a deficient rainfall may have impact on the reservoir level, weighing on prospects of Kharif sowing. Considering these factors, the agriculture sector is estimated to attain Rs. 23.1 trillion and mark 1.4% y-o-y growth for complete FY24. In Q1FY25, the agriculture sector grew by only 2% y-o-y as compared to 3.7% in Q1FY24. Better monsoon conditions are expected to brighten the outlook for the agriculture sector.

• From March 2020 onwards, the nationwide lockdown due to the pandemic significantly impacted the **industrial sector**. In FY20 and FY21, this sector felt turbulence due to the pandemic and recorded a decline of 1.4% and 0.9%, respectively, on a y-o-y basis. With the opening of the economy and resumption of industrial activities, it registered 11.6% y-o-y growth in FY22, albeit on a lower base.

The industrial output in FY23 grew by only 2.1% with an estimated value of Rs. 44.74 trillion owing to a decline in manufacturing activities.

The industrial sector grew by 6.0% in Q1FY24, while Q2FY24 growth was up by 13.6% owing to positive business optimism and strong growth in new orders supported by manufacturing output. The industrial growth was mainly supported by sustained momentum in the manufacturing and construction sectors. Within manufacturing, industries such as pharma, motor vehicles, metals, petroleum and pharma witnessed higher production growth during the quarter. The construction sector (13.6% growth in Q2FY24) benefited from poor rainfall during August and September and higher implementation of infrastructure projects. This was reflected in robust cement and steel production and power demand in Q2FY24. Overall, H1FY24 picked up by 9.3% with manufacturing and construction activities witnessing significant acceleration. In Q3FY24, the growth rate slowed down to 10.5%. It further fell to 8.4% in Q4FY24.

India’s industrial sector is experiencing strong growth, driven by significant expansion in manufacturing, mining, and construction. This growth is supported by positive business sentiment, declining commodity prices, beneficial government policies like production-linked incentive schemes, and efforts to boost infrastructure development. These factors contribute to the sustained buoyancy in industrial growth due to which the industrial growth is estimated at 9.5% on y-o-y basis registering the value of Rs. 48.9 trillion in FY24.

In Q1FY25, the industrial sector grew by 8.3% y-o-y as compared to 6% in Q1FY24. This growth was driven mainly by sales growth in manufacturing companies, construction, and utility services. Construction grew at the highest rate of 10.5% as compared to a growth rate of 8.3% in the same quarter of the previous year.

• The **Services sector** was the hardest hit by the pandemic and registered an 8.2% y-o-y decline in FY21. The easing of restrictions aided a fast rebound in this sector, with 8.8% y-o-y growth witnessed in FY22.

Overall, in FY23, benefiting from the pent-up demand, the service sector was valued at Rs. 80.6 trillion and registered growth of 10.0% y-o-y.

In Q1FY24, the services sector's growth jumped to 10.7%. Within services, there was a broad-based improvement in growth across different sub-sectors. However, the sharpest jump was seen in financial, real estate, and professional services. Trade, hotels, and transport sub-sectors expanded at a healthy pace gaining from strength in discretionary demand. The service sector growth in Q2FY24 moderated to 6.0% partly due to the normalization of base effects and some possible dilution in discretionary demand. Considering these factors, the service sector marked 8.3% growth in H1FY24. In Q3FY24 growth increased to 7.1% compared to 7.2% last year in the same quarter. In Q4FY24, growth declined to 6.7% compared to 7.2% last year in the same quarter.

With this performance, steady growth in various service sector indicators like air passenger traffic, port cargo traffic, GST collections, and retail credit are expected to support the services sector. With this, the growth of the service sector is estimated at Rs. 86.7 trillion registering 7.6% growth in FY24 overall. In Q1FY25, the services sector grew by only 7.2% y-o-y as compared to 10.7% in Q1FY24.

Table 3: Sectoral Growth (Y-o-Y % Growth) - at Constant Prices

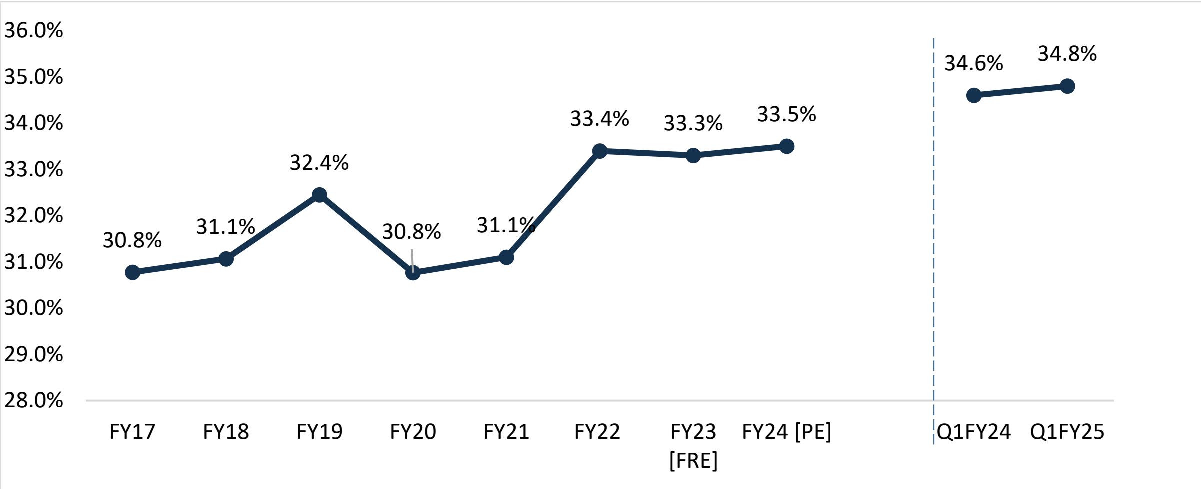
At constant Prices	FY19	FY20	FY21	FY22	FY23 (FRE)	'Y24 (PE	H1FY24	H1FY25
Agriculture, Forestry & Fishing	**2.1**	**6.2**	**4.1**	**3.5**	**4.7**	**1.4**	**2.8**	**2.7**
Industry	**5.3**	**-1.4**	**-0.9**	**11.6**	**2.1**	**9.5**	**9.7**	**6.0**
Mining & Quarrying	-0.9	-3.0	-8.6	7.1	1.9	7.1	8.8	3.9
Manufacturing	5.4	-3.0	2.9	11.1	-2.2	9.9	9.6	4.5
Electricity, Gas, Water Supply & Other Utility Services	7.9	2.3	-4.3	9.9	9.4	7.5	6.8	6.8
Construction	6.5	1.6	-5.7	14.8	9.4	9.9	11.0	9.1
Services	**7.2**	**6.4**	**-8.2**	**8.8**	**10.0**	**7.6**	**9.7**	**6.1**
Trade, Hotels, Transport, Communication & Broadcasting	7.2	6.0	-19.7	13.8	12.0	6.4	6.9	5.9
Financial, Real Estate & Professional Services	7.0	6.8	2.1	4.7	9.1	8.4	9.3	6.9
Public Administration, Defence and Other Services	7.5	6.6	-7.6	9.7	8.9	7.8	8.0	9.3
GVA at Basic Price	**5.8**	**3.9**	**-4.2**	**8.8**	**6.7**	**7.2**	**8.0**	**6.2**

Source: MOSPI, note: FRE – First Revised Estimates, PE – Provisional Estimate;

1.2.3. Investment Trend in Infrastructure

Gross Fixed Capital Formation (GFCF), which is a measure of the net increase in physical assets, witnessed an improvement in FY22. As a proportion of GDP, it is estimated to be at 33.4%, which is the highest level in 5 years (since FY17). In FY23, the ratio of investment (GFCF) to GDP remained flat at 33.3%. Continuing in its growth trend, this ratio has reached 33.5% in FY24. In Q1FY25, GFCF as a proportion of GDP, reached 34.8% as compared to 34.6% in Q1FY24 mainly reflecting growth in private investment.

Chart 2: Gross Fixed Capital Formation (GFCF) as % of GDP (At constant prices)



Source: MOSPI, Note: 3RE – Third Revised Estimate, 2RE – Second Revised Estimates, 1RE – First Revised Estimates, PE – Provisional Estimate, FAE-First Advance Estimate

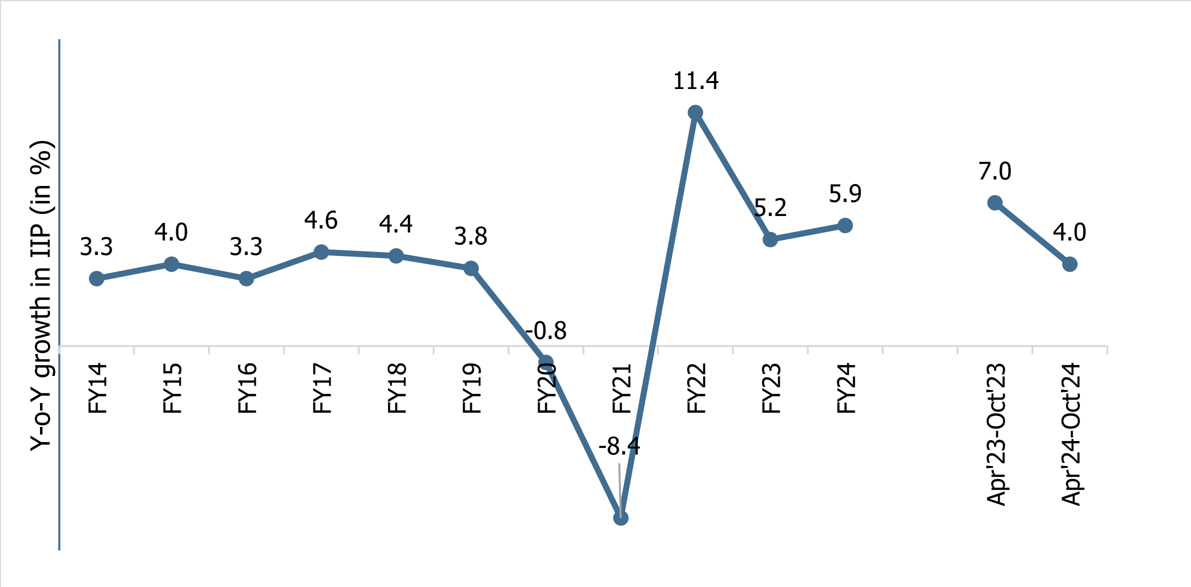
Overall, the support of public investment in infrastructure is likely to gain traction due to initiatives such as Atmanirbhar Bharat, make in India, and Production-linked Incentive (PLI) scheme announced across various sectors.

1.2.4. Industrial Growth

Improved Core and Capital Goods Sectors helped IIP Growth Momentum

The Index of Industrial Production (IIP) is an index to track manufacturing activity in an economy. During FY23, the industrial output recorded a growth of 5.2% y-o-y supported by a favorable base and a rebound in economic activities. During FY24, the industrial output recorded a growth of 5.9% y-o-y supported by growth in the manufacturing and power generation sectors. The period April 2024 – August 2024, industrial output grew by 4.2% compared to the 6.2% growth in the corresponding period last year. For the month of August 2024, the IIP growth contracted by 0.1% as compared to last year's IIP growth of 10.9%. This decline was on account of decline in growth in mining and electricity sectors on account of heavy rainfall and reduced electricity demand. The manufacturing sector also grew modestly in August 2024 by 1% as compared to a growth of 10% in August 2023. Within the growth in manufacturing, the top three positive contributors were Manufacture of basic metals, Manufacture of electrical equipment, and Manufacture of chemicals and chemical products. So far in the current fiscal, the government's strong infrastructure spending and rising private investment are evident, though consumer non-durables production has declined. Urban demand drives consumption, while rural demand improves, highlighting the importance of sustained consumption and investment for industrial performance.

Chart 3: Y-o-Y growth in IIP (in %)

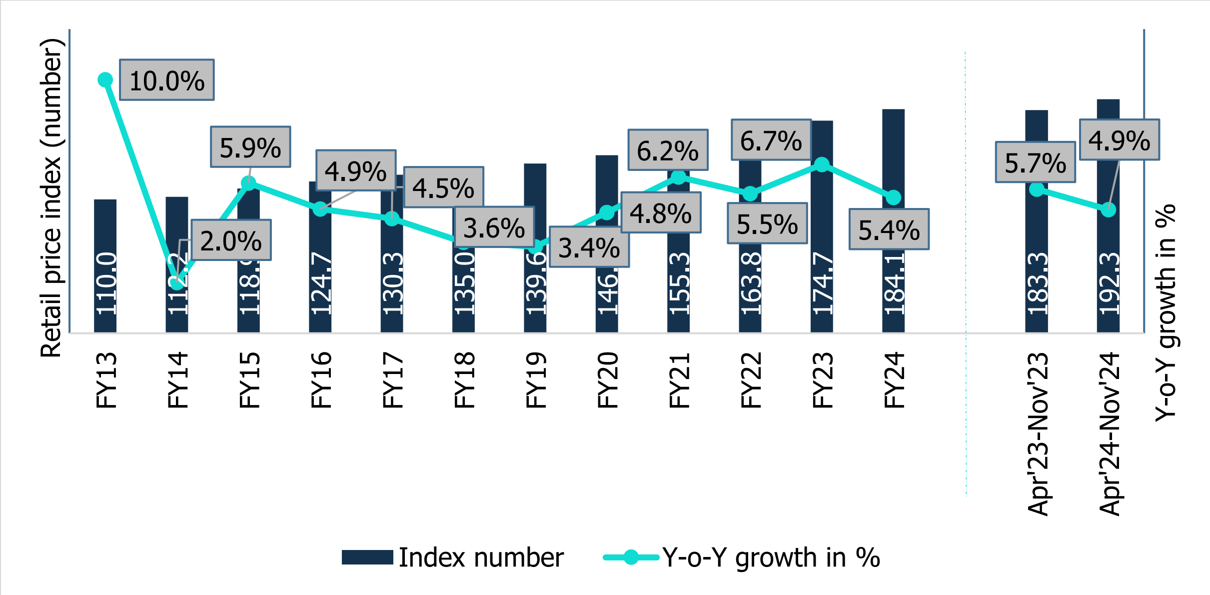


Source: MOSPI

1.2.5. Consumer Price Index

India's consumer price index (CPI) tracks retail price inflation in the economy. During FY23, CPI remained elevated at an average of 6.7%, above the RBI's tolerance level. In FY24, the Consumer Price Index (CPI) showed fluctuations, starting with a moderation to 4.3% in May 2023, followed by a spike to 7.4% in July 2023 due to rising food prices. Overall, inflation moderated to 5.4% for the year, remaining within the RBI's target range of 2% to 6%, despite volatility in food prices throughout the months. High inflation in specific food items poses inflation risk, even though an improvement in south-west monsoon and better kharif sowing are improving the food inflation outlook. The numbers for April 2024-September 2024 show a decline in inflation growth y-o-y to 4.6% as compared to inflation growth y-o-y of 5.5% in April 2023-September 2023 period. For September 2024, CPI inflation stood at 5.5% which has been the highest retail inflation since December 2023. There was a decline in inflation observed among the subgroups meat and fish, pulses and products, sugar and confectionery, and spices.

Chart 4: Retail Price Inflation in terms of index and Y-o-Y Growth in % (Base: 2011-12=100)

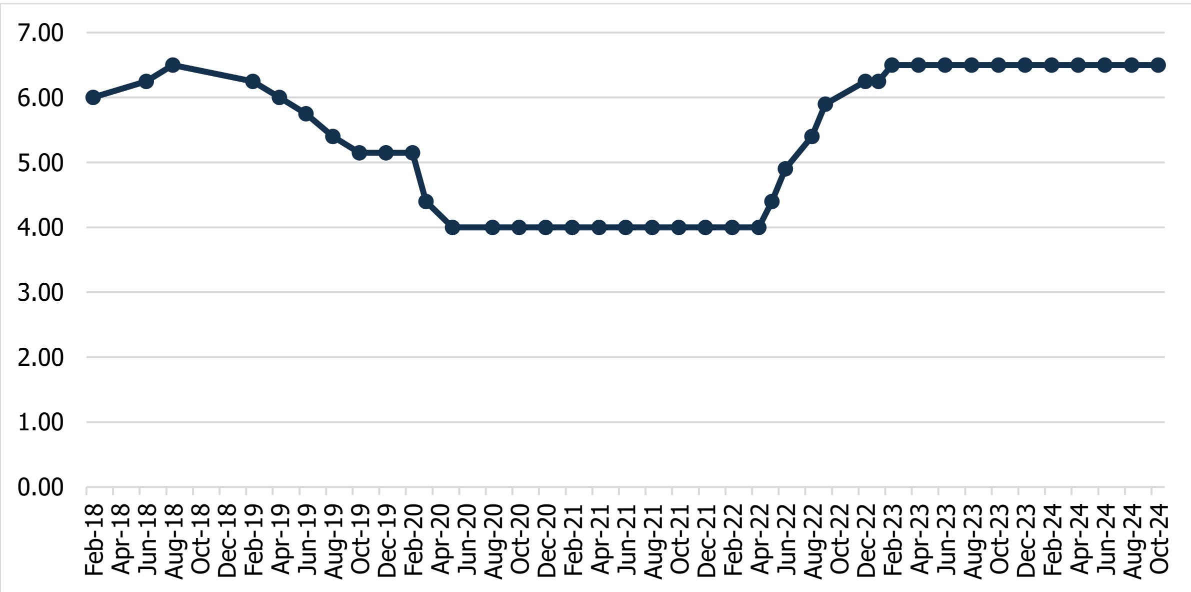


Source: MOSPI

The CPI is primarily factored in by RBI while preparing their bi-monthly monetory policy. At the bi-monthly meeting held in October 2024, RBI projected inflation at 4.5% for FY25 with inflation during Q2FY25 at 4.1%, Q3FY25 at 4.8%, Q4FY25 at 4.2%, and Q1FY26 at 4.3%.

Considering the current inflation situation, RBI has kept the repo rate unchanged at 6.5% again in the October 2024 meeting of the Monetary Policy Committee.

Chart 5: RBI historical Repo Rate



Source: RBI

Further, the central bank changed its stance to neutral. While headline inflation has started easing due to softening in core component and economic activity has been resilient supported by domestic and investment demand, volatility in food prices due to adverse weather conditions pose a risk to the path of disinflation. Core inflation has likely reached its lowest point, and fuel prices are contracting. Domestic growth remains strong, driven by private consumption and investment, allowing the MPC to focus on bringing inflation down to the 4% target. As a result, the MPC decided to adopt a 'neutral' stance, monitoring inflation while supporting growth.

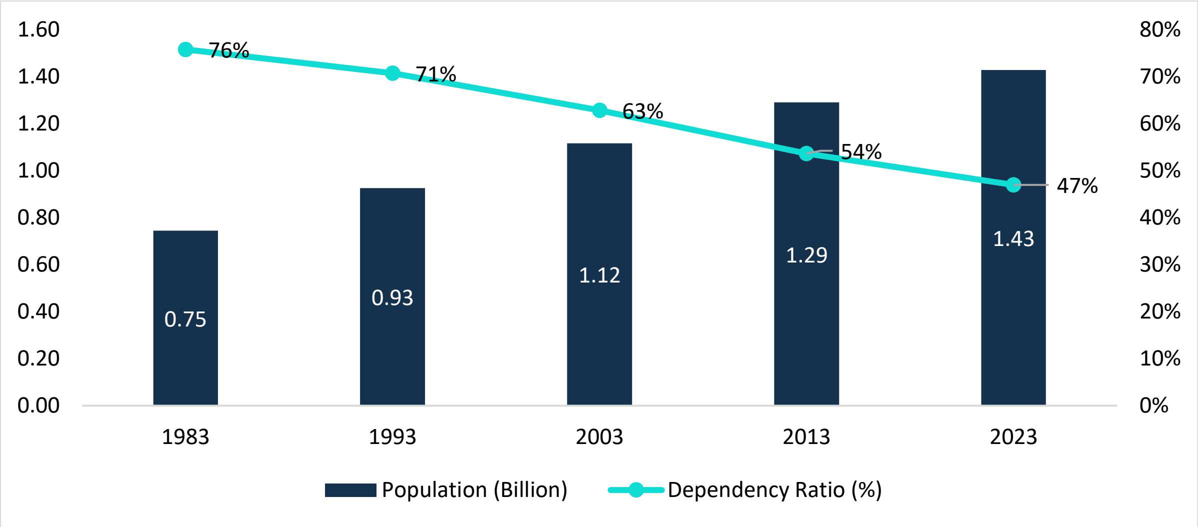
1.2.6. Overview of Key Demographic Parameters

- **Population growth and Urbanization**

The trajectory of economic growth of India and private consumption is driven by socio-economic factors such as demographics and urbanization. According to the world bank, India's population in 2022 surpassed 1.42 billion slightly higher than China's population 1.41 billion and became the most populous country in the world.

Age Dependency Ratio is the ratio of dependents to the working age population, i.e., 15 to 64 years, wherein dependents are population younger than 15 and older than 64. This ratio has been on a declining trend. It was as high as 76% in 1983, which has reduced to 47% in 2023. Declining dependency means the country has an improving share of working-age population generating income, which is a good sign for the economy.

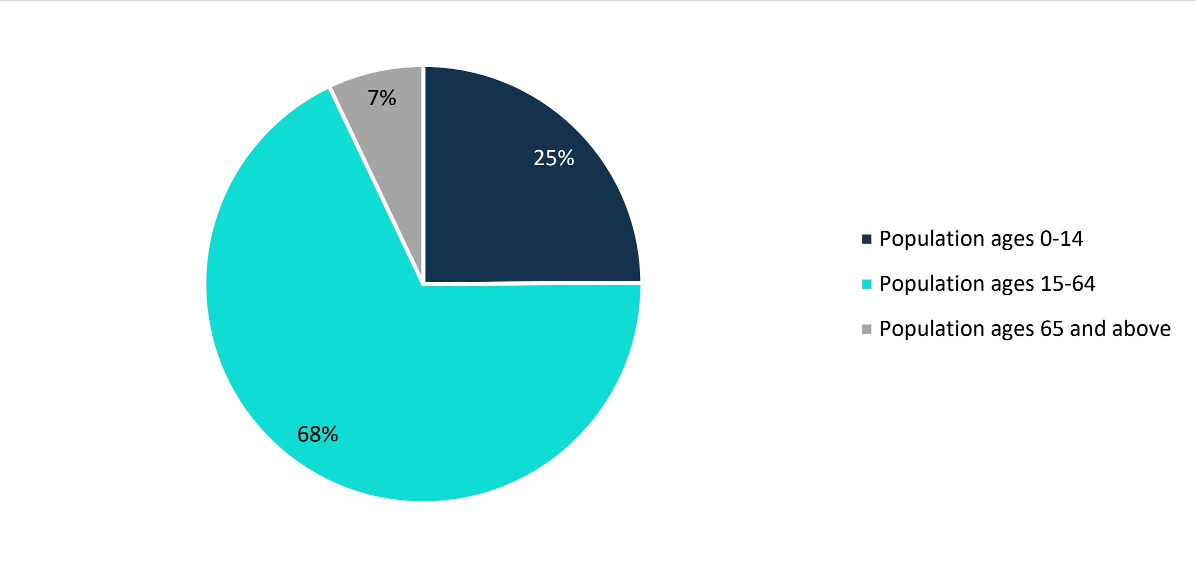
Chart 6: Trend of India Population vis-à-vis dependency ratio



Source: World Bank Database

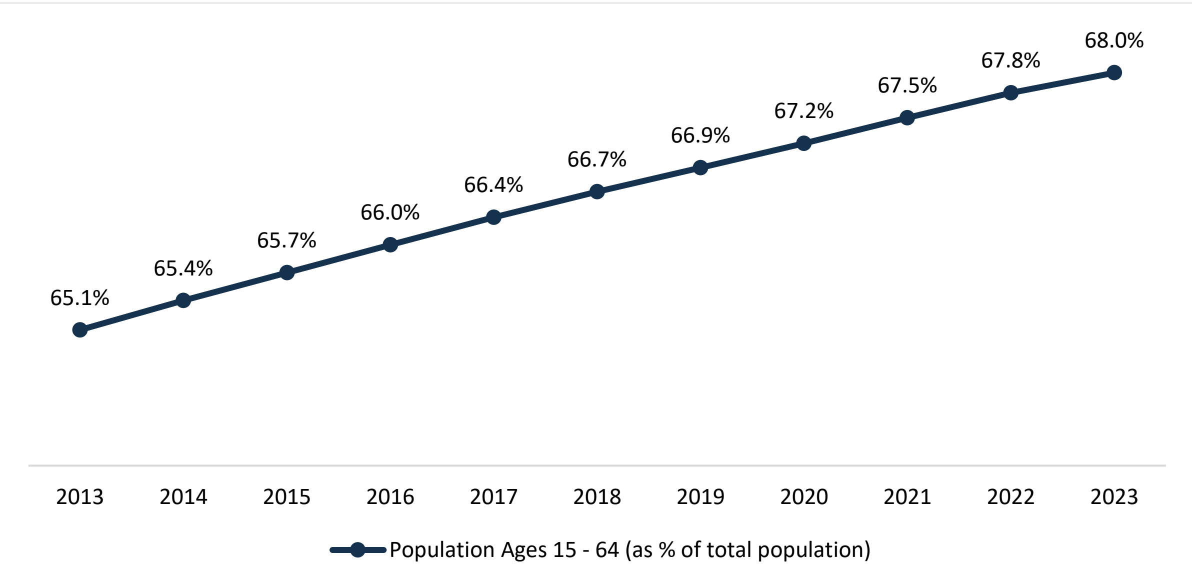
With an average age of 29, India has one of the youngest populations globally. With vast resources of young citizens entering the workforce every year, it is expected to create a 'demographic dividend'. India is home to a fifth of the world's youth demographic and this population advantage will play a critical role in economic growth.

Chart 7: Age-Wise Break Up of Indian population



Source: World Bank Database

Chart 8: Yearly Trend - Young Population as % of Total Population

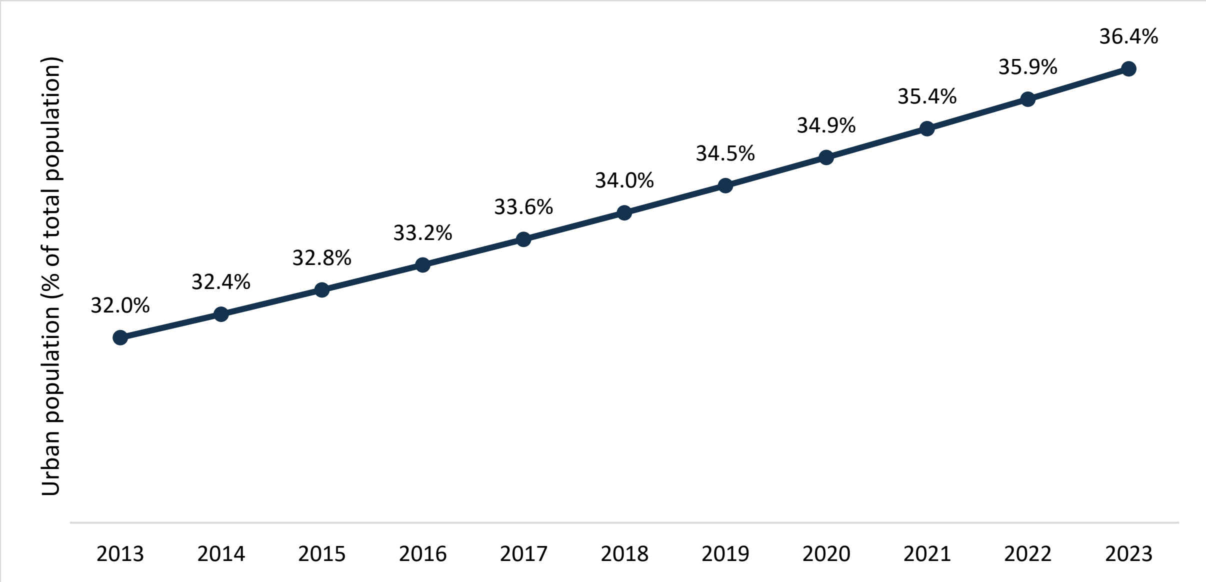


Source: World Bank database

- **Urbanization**

The urban population is significantly growing in India. The urban population in India is estimated to have increased from 413 million (32% of total population) in 2013 to 519.5 million (36.4% of total population) in the year 2023. People living in Tier-2 and Tier-3 cities have greater purchasing power.

Chart 9: Urbanization Trend in India

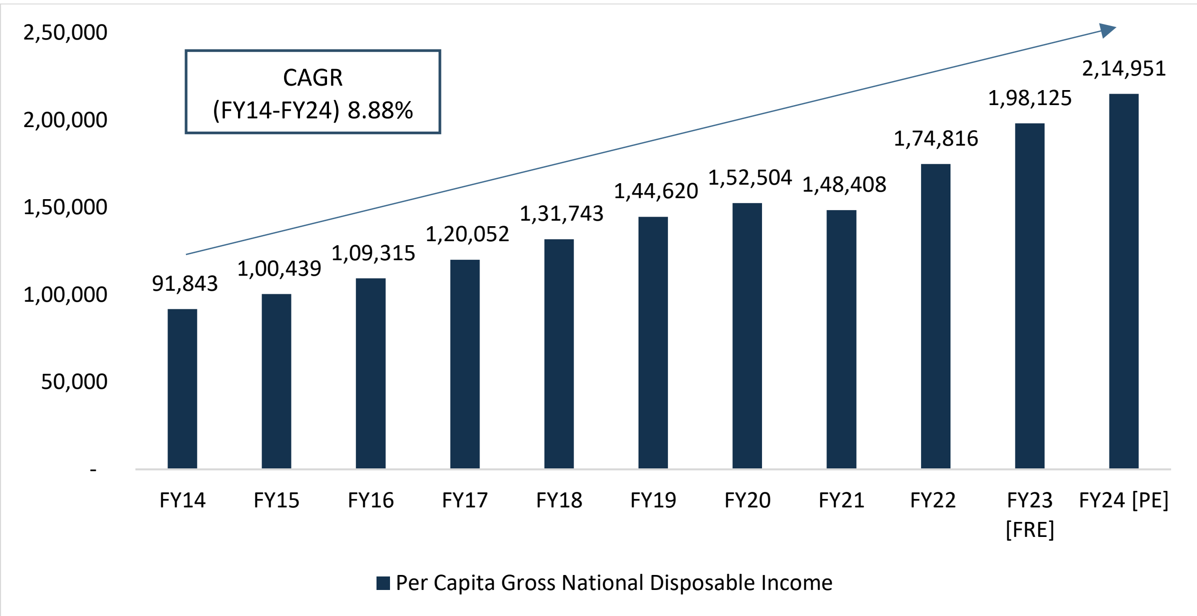


Source: World Bank Database

- **Increasing Per Capita Disposable Income**

Gross National Disposable Income (GNDI) is a measure of the income available to the nation for final consumption and gross savings. Between the period FY14 to FY24, per capita GNDI at current prices registered a CAGR of 8.88%. More disposable income drives more consumption, thereby driving economic growth.
The chart below depicts the trend of per capita GNDI in the past decade:

Chart 10: Trend of Per Capita Gross National Disposable Income (Current Price)

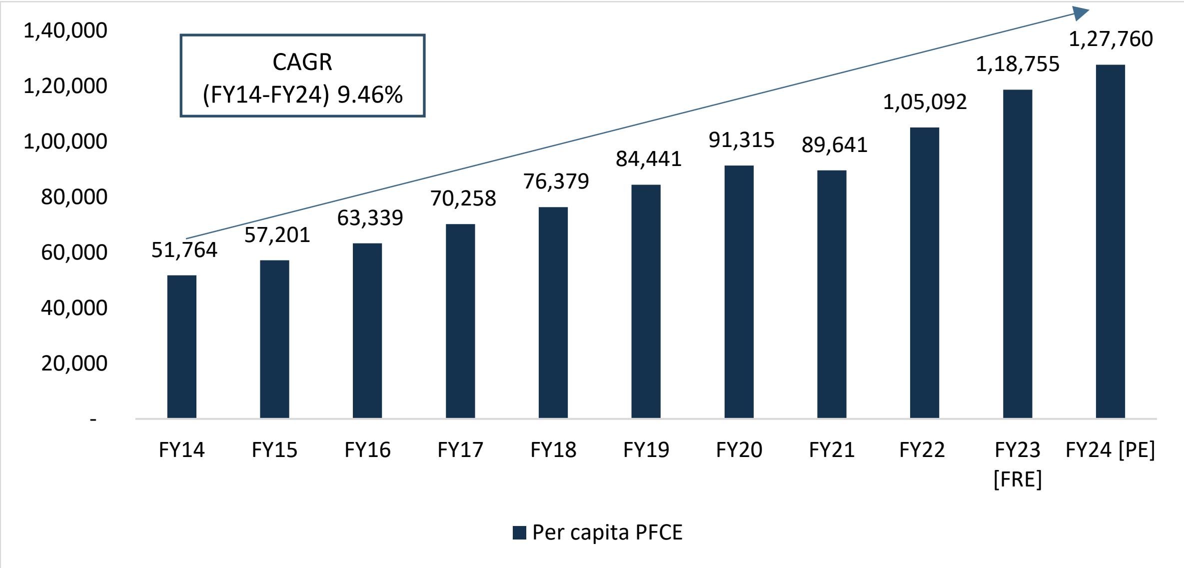


Source: MOSPI, Note: FRE – First Revised Estimates, PE – Provisional Estimate

- **Increase in Consumer Spending**

With increase in disposable income, there has been a gradual change in consumer spending behaviour as well. Private Final Consumption Expenditure (PFCE) which is measure of consumer spending has also showcased significant growth in the past decade at a CAGR of 9.46%. Following chart depicts the trend of per capita PFCE at current prices:

Chart 11: Trend of Per Capita Private Final Consumption Expenditure (Current Price)



Source: MOSPI

1.2.7. Concluding Remarks

The major headwinds to global economic growth are escalating geopolitical tensions, volatile global commodity prices, high interest rates, inflation woes, volatility in international financial markets, climate change, rising public debt, and new technologies. Despite the global economic growth uncertainties, the Indian economy is relatively better placed in terms of GDP growth compared to other emerging economies. According to IMF's forecast, it is expected to be 7% in CY24 compared to the world GDP growth projection of 3.2%. The bright spots for the economy are continued healthy domestic demand, support from the government towards capital expenditure, moderating inflation, investments in technology and improving business confidence.

Likewise, several high-frequency growth indicators including the purchasing managers index, E-way bills, bank credit, toll collections and GST collections have shown improvement in FY24. Moreover, normalizing the employment situation after the opening of the economy is expected to improve and provide support to consumption expenditure.

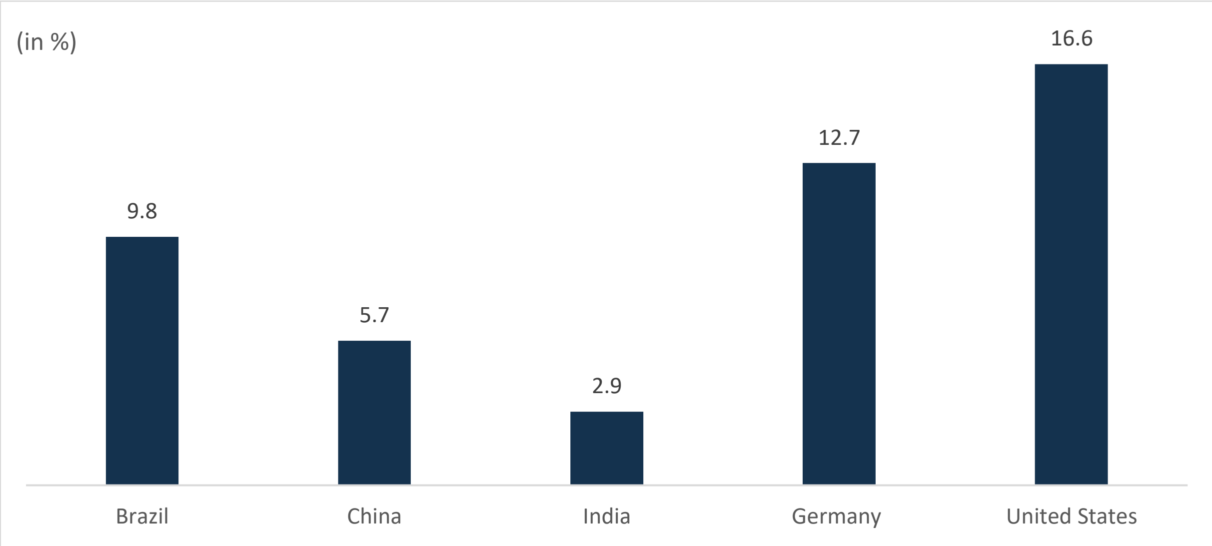
At the same time, public investment is expected to exhibit healthy growth as the government has allocated a strong capital expenditure of about Rs. 11.11 lakh crores for FY25. The private sector's intent to invest is also showing improvement as per the data announced on new project investments and resilience shown by the import of capital goods. Additionally, improvement in rural demand owing to healthy sowing, improving reservoir levels, and progress in the south-west monsoon along with government's thrust on capex and other policy support will aid the investment cycle in gaining further traction.

2. Overview of Global and India's Healthcare Expenditure

2.1. Healthcare Expenditure as % of GDP India Vs Global

The data on health expenditure as a percentage of GDP highlights various differences across countries. The United States leads with the highest health spending at 16.6% of its GDP, followed by Germany at 12.7%, indicating significant expenditure in healthcare. In contrast, Brazil spends 9.8% of its GDP on health, while China and India allocate considerably less at 5.7% and 2.9%, respectively. This disparity underscores the varying levels of healthcare prioritization and investment, with India and China notably focusing on lower health expenditure despite their large populations. These figures reflect the broader economic strategies and healthcare infrastructure across these nations.

Chart 12: Country-wise Health Expenditure as % of GDP in 2022

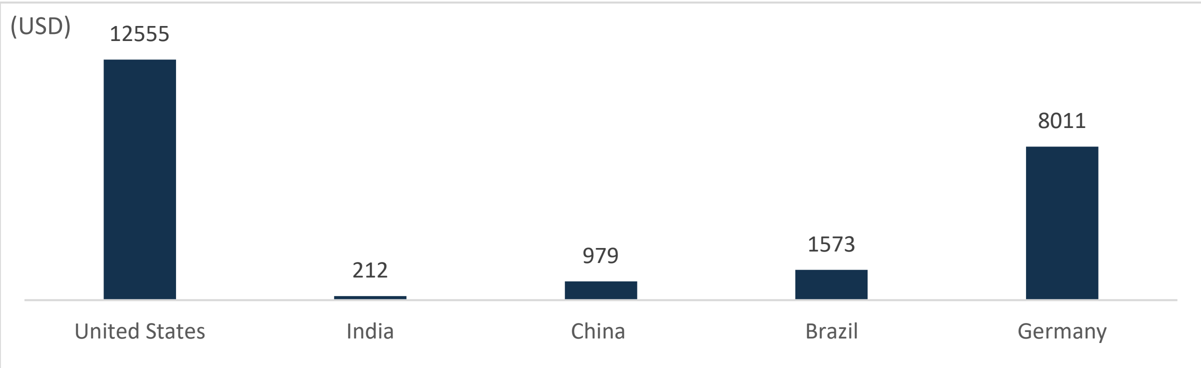


Source: OECD Health Statistics 2023, CareEdge Research; This is the latest available data

2.2. Per-Capita Current Expenditure on Health

For year 2022, India's health expenditure per capita was as low as USD 212 compared to health expenditure per capita of Brazil, China and Germany that was in the range of more than USD 900. For the USA, this expenditure was as high as USD 12,555 in 2022.

Chart 13: Current health expenditure per capita in 2022 (in USD)



Source: OECD Health Statistics 2023, CareEdge Research, This is the latest available data

Poverty is one of the reasons for lower health expenditure in India. As per National Multidimensional Poverty Index (MPI) 2023, the population below poverty line has significantly reduced 24.85% in 2015-16 to 14.96% in 2020-21. This is expected to in turn rise in expenditure on health care going further with rise in spending. In addition to this, lower medical care expenditure by rural population (that accounts for about more than 65% of the total population in India) compared to urban populace contributed to this low health expenditure.

In addition to this, concentrated healthcare facilities in urban areas also compound the problem as these facilities are not so easily accessible and within the monetary reach of most of the people living in rural and remote areas of the country. As per National Health Profile 2023, in rural areas, there were 31,053 functioning primary health center and 6,064 community health centers.

2.3. Outlook - India

For the betterment of overall health of citizens and facilities, the government has made various efforts under the National Health Mission and various such schemes. For ensuring universal health coverage, there is rising importance of public healthcare and social security. The primary healthcare expenditure has increased to 55.9% in 2019-20 from 51.3% in 2014-15. This not only ensures quality services at the grassroot level but also reduces the chances of ailments requiring secondary or tertiary healthcare services.

On account of various initiatives introduced, there is major development in the healthcare space and the development is expected to continue. Indian healthcare is among the largest network in the world. And to support the network, healthcare infrastructure is also expected to grow in the near to medium term.

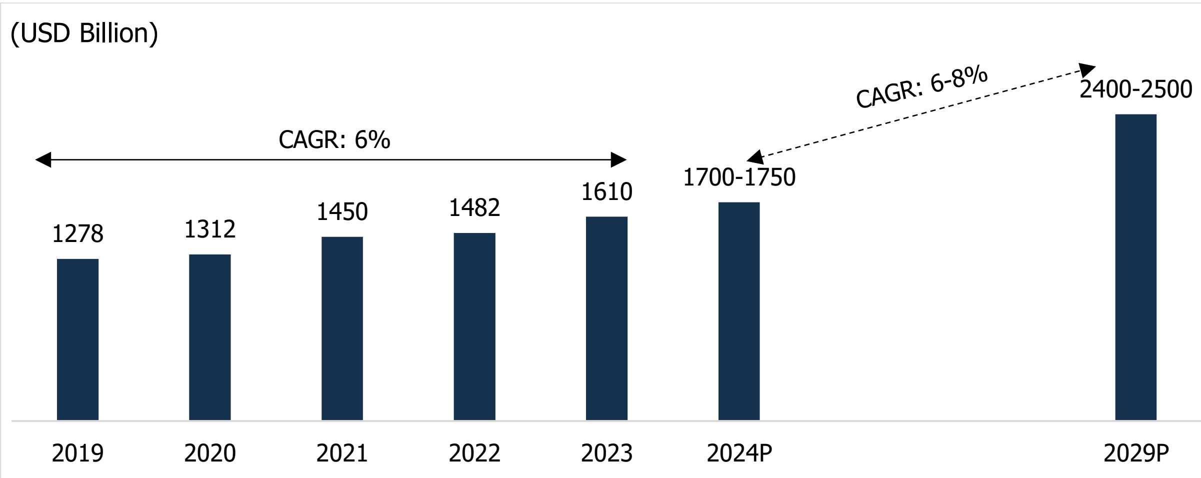
The foreseeable future presents a promising outlook for the industry in the export market, characterized by increasing demand within both regulated and emerging pharmaceutical markets. Furthermore, the impending expiration of patents on certain drugs presents an opportunity for substantial export growth, anticipated to be around 8% during FY24 and FY25. Indian pharmaceutical industry expanded from approximately USD 34.7 billion in FY17 to reach approximately USD 50 billion in FY23; and is envisaged to further increase to USD 57 billion by FY25.

3. Overview of Global Pharmaceuticals Market

3.1. Overview and market size

The global pharmaceutical industry has traditionally been dominated by a few high-income and developed regions, such as North America and Europe, which still hold a significant share of the market in terms of value, primarily due to the presence of high-priced drugs and cutting-edge products. However, in recent years, middle-income countries like India, China, and Brazil have seen substantial growth in both production and consumption. These so-called "Pharmerging" markets now contribute significantly to global pharmaceutical volume consumption and have surpassed the growth rates of high-income markets. As a result, these emerging markets have become key strategic targets for multinational pharmaceutical companies, as evidenced by the increasing pharmaceutical exports from these regions. Despite this shift, high-income countries continue to lead in pharmaceutical research and development (R&D) spending across both the public and private sectors.

Chart 14: Global Pharmaceuticals market size

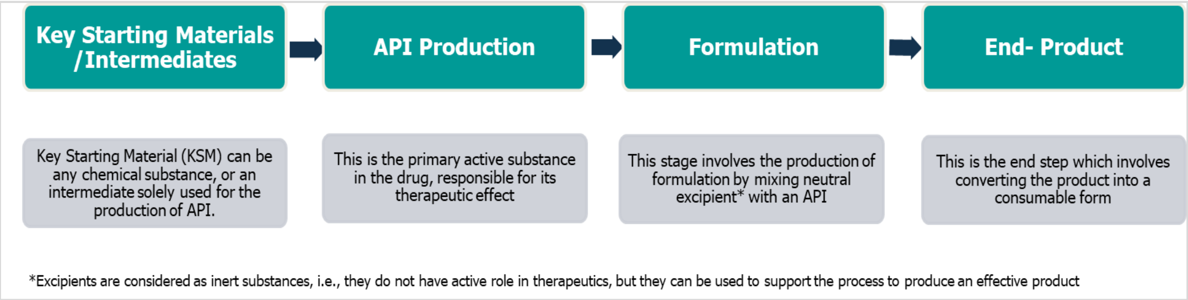


Source: Pharma Company Reports, CareEdge Research; P: Projected

The global pharmaceutical market has expanded at a compound annual growth rate (CAGR) of around 6%, rising from around $1,278 billion in 2019 to approximately $1,610 billion in 2023. Key factors driving this growth include an ageing population, robust development in the generics market, increasing patient demand for more effective and better-tolerated novel drugs, and improved access to medications in emerging markets. Looking ahead, the market is projected to continue growing at a 6-8% CAGR over the next five years, reaching an estimated $2,400 to 2,500 billion by 2029. On a global scale, pharmaceutical companies are increasingly focusing on personalized treatment and precision medicine, aiming to tailor medical care to individual patient characteristics, needs, preferences, and genetic profiles.

The pharmaceutical value chain begins with the selection of **Key Starting Materials / Intermediates**, which are basic chemical or biological substances. These materials serve as the foundation for drug development. These are the important compounds that are formed during the multi-step synthesis of the Active Pharmaceutical Ingredients (APIs). Next step involves the production of **Active Pharmaceutical Ingredients (APIs)**, which serve as the core components of medications using sophisticated chemical techniques which ensures critical examination on quality and purity. Once the API is produced, it is mixed with excipients- these are neutral substances like for e.g., binders, flavors, preservatives, lubricants etc. which are used with combining APIs during the **formulation** stage. Further, the product is created by transforming it into consumable forms like tablets, capsules, injectables, ointments, powder, liquid orals, sprays, etc.

Chart 15: Pharmaceutical Industry Value Chain



Source: CareEdge Research

In the pharmaceutical industry, the production of active pharmaceutical ingredients (APIs) and their intermediates often involve complex chemical processes that require specialized equipment and facilities. The ability to handle different types of chemistry capabilities like acetylation, cyanation, Dieckmann Cyclization, Grignard reaction, phase transfer reaction, etc. opens a lot of opportunities to scale up the business profitably. One such critical process is hydrogenation, which is widely used to modify the chemical structure of drug molecules by adding hydrogen to unsaturated bonds.

Hydrogenation facilities are essential in the production of API intermediates, enabling the addition of hydrogen to unsaturated compounds. This process alters chemical structures, improving stability, selectivity, and biological activity, which is crucial for APIs in cardiovascular, oncology, and CNS therapies. Hydrogenation is used to produce saturated compounds, which are often more stable and easier to handle in later production stages. The process involves controlled reactors and catalysts, ensuring high reproducibility and consistent quality. These facilities also enhance cost-effectiveness by streamlining production, reducing waste, and improving yields, making hydrogenation a key step in API manufacturing.

Additionally, prior to manufacturing, essential steps such as research and development (R&D) and securing regulatory approvals must be completed to ensure the safety and usefulness of the final product.

3.2. Key growth drivers for the Pharmaceutical Industry: Global Markets

3.2.1. Improved access to medicine in emerging markets

The global population nearing 8 billion has led to increased daily per capita medicine consumption, particularly in emerging markets like China, India, Brazil, and Indonesia. Factors such as rising incomes, better healthcare infrastructure, and expanded insurance coverage have narrowed the gap between medicine usage in developed and emerging markets. In India, the widespread availability of advanced medicines highlights the country's strides in healthcare accessibility. This growth is further bolstered by government safety nets, private insurance, and ongoing public and private sector investments, which are crucial for sustaining higher medicine consumption levels.

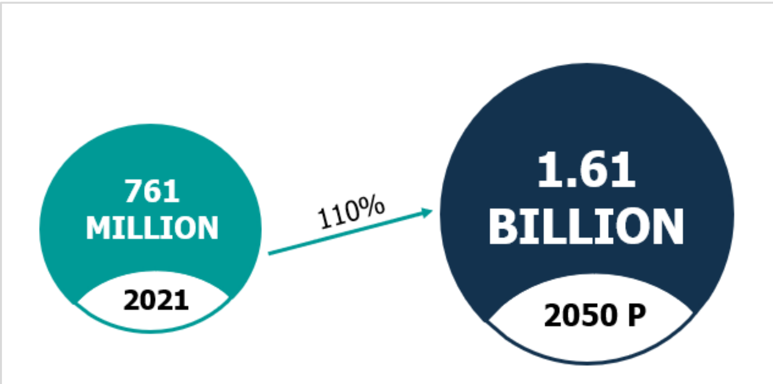
3.2.2. Frequency and prevalence of chronic diseases

The prevalence of chronic diseases like cardiovascular diseases, cancer, diabetes, and respiratory conditions is rising globally, significantly impacting economies and fueling pharmaceutical demand. Cardiovascular diseases account for the highest mortality, causing 17.9 million deaths annually, followed by cancer (9.3 million), respiratory illnesses (4.1 million), and diabetes (2 million). Together, these account for 80% of chronic disease-related deaths. The OECD's Health at a Glance 2021 report highlights that nearly one-third of individuals aged 16 and above live with a severe illness. With chronic diseases responsible for 41 million annual deaths (70% of all global deaths), advancements in pharmaceutical treatments are becoming increasingly critical to address this growing health burden.

3.2.3. Increase in ageing population

Based on the data in the 'World Social Report 2023' from the United Nations, the global population of elderly individuals (65 years and older) is projected to increase by nearly 110%, rising from 761 million in 2021 to 1.6 billion in 2050. Worldwide, the population of individuals aged 65 and older is experiencing quicker growth compared to all other age groups. The increasing demand for healthcare services from the elderly population, who are predominantly suffering from chronic conditions, is projected to fuel the expansion of the worldwide pharmaceutical sector.

Chart 16: Number of people aged 65 years or over



Source: UN World Social Report 2023, CareEdge Research; P: Projected

3.2.4. Number of products going off patent in the United States to peak in 2024

The expiration of patents for major medications significantly drives growth in the generics industry. As patents expire, generic pharmaceutical companies and CDMOs (Contract Development and Manufacturing Organizations) capitalize on the opportunity to launch cost-effective versions of branded drugs. This competition intensifies as companies aim to bring new products to market swiftly, ensuring a competitive edge. According to India's Department of Pharmaceuticals, over 300 drugs across various therapeutic categories and regions lose patent protection annually, fueling the expansion of the generics market and enabling greater accessibility to affordable medications.

3.3. Key challenges in global pharmaceutical industry

3.3.1. Regulatory and Compliance Pressures:

Pharmaceutical companies face challenges in dealing with intricate regulatory systems in various countries, causing delays in drug approvals and higher expenses. Adherence to proper manufacturing practices and changing safety and efficacy regulations create additional stress. Furthermore, in numerous nations, governments and healthcare systems implement price controls and bargain on drug prices, which reduces profit margins for pharmaceutical companies.

3.3.2. R&D costs and innovation pressure:

The process of developing drugs is costly and lengthy, with numerous potential treatments proving unsuccessful during clinical trials. There is increasing demand for the creation of improved medications, especially for medical issues that are not currently being addressed and uncommon diseases. The increasing popularity of personalized medicine and advanced biologics requires substantial funding for innovative technologies.

3.3.3. Supply chain vulnerability:

The fragility of global pharmaceutical supply chains was underscored by the covid-19 pandemic, as factors such as geopolitical tensions, natural disasters, and logistical bottlenecks can cause disruptions in production, resulting in shortages.

3.3.4. Intellectual property and patent expirations:

Numerous medications are approaching the end of their patents, resulting in heightened rivalry from generic and biosimilar versions. This decrease in income for big corporations forces them to innovate and create new products. Safeguarding intellectual property in various markets, especially in developing countries, continues to be difficult because of inconsistent enforcement of Intellectual Property regulations and the increase in counterfeit medications.

4. Domestic Pharmaceutical Industry

4.1. Overview of the domestic pharmaceutical industry

The Indian pharmaceutical industry (IPI) ranks 3rd globally in terms of volume and 13th in terms of value. Its lower market share by value is largely due to the dominance of generic medicines, which make up around 70% of the industry's revenue and are priced lower. The IPI is highly fragmented, with over 10,000 manufacturers in both the organized and unorganized sectors. Pharmaceutical manufacturing is primarily concentrated in Maharashtra, Gujarat, Andhra Pradesh, Telangana, Uttarakhand and Himachal Pradesh. As per the Confederation of Indian Industries (CII), approximately 8,000 small and medium enterprises (SMEs) make up about 70% of the total pharmaceutical units in India.

The growth of the domestic pharmaceutical market is anticipated to be driven by factors such as increased health insurance coverage, better access to healthcare facilities, a growing prevalence of chronic diseases, and rising per capita income. On the export front, growth is expected to be fueled by greater generic drug penetration in regulated markets, supported by a focus on niche and complex product segments, patent expiries, licensing agreements from the medicine patent pool, and rising demand from semi-regulated markets. In the long term, emerging markets like Russia, Brazil, and South Africa are expected to sustain export growth.

India's prominence in the pharmaceutical industry is largely driven by its cost-effective manufacturing capabilities. The country offers significantly lower production costs compared to many developed nations, making it an attractive hub for outsourcing and contract manufacturing[2]. Furthermore, India has the largest number of USFDA-compliant pharma plants outside the USA, underscoring its strong regulatory compliance. The industry's focus on R&D fosters the development of novel formulations and the discovery of new APIs, enhancing growth and competitiveness. Over the next 2-3 years, patented products worth USD 240 billion are set to go off patent, presenting a substantial opportunity for Indian pharma companies to capitalize on.

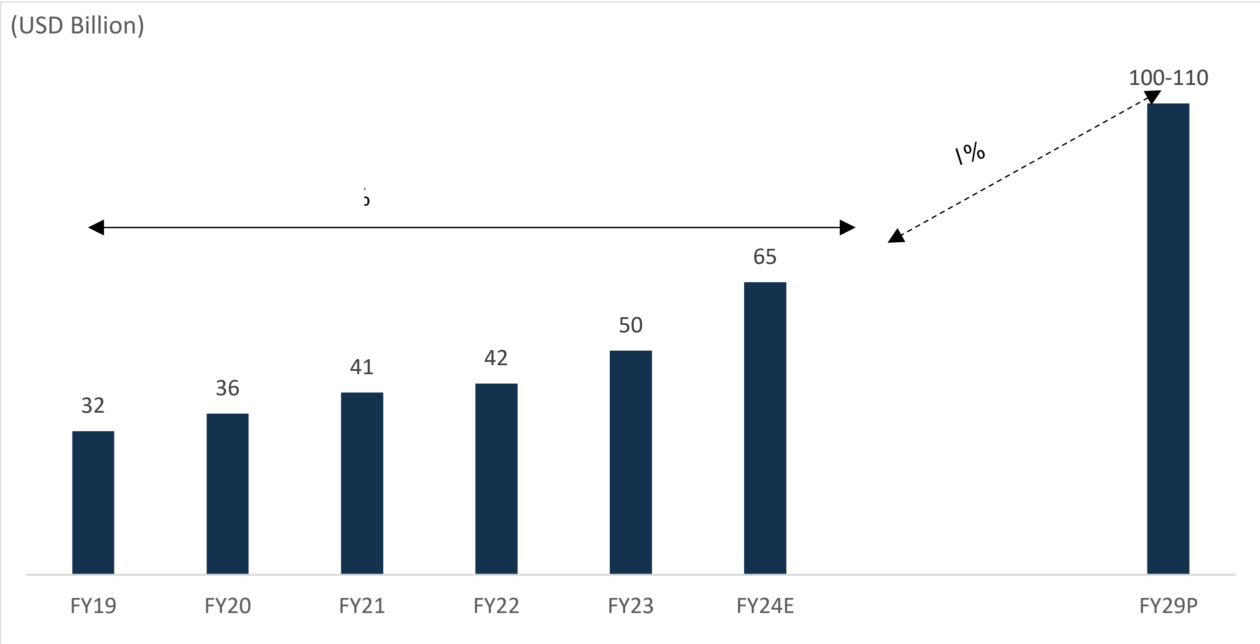
[2] Contract manufacturing entails the development of a product under confidentiality for a single customer using the process know-how and the technical specifications provided by the customer.

4.2. Domestic market size of pharmaceutical industry and growth prospects

The Indian pharmaceuticals market has shown a robust growth over the past five years, since FY19. The pharmaceuticals market grew at a CAGR of 15% from FY19 to FY24 reaching about $65 billion. Low cost of production without compromising on quality along with highest number of USFDA approved pharmaceutical plants (outside the USA) has placed India strategically to emerge out as one of the leading producers for pharma products, which has led to robust growth.

Going forward, industry is likely to continue growing at a CAGR of 9-11% reaching about $100-110 billion by FY29. One of the key growth drivers for the Indian pharmaceutical industry is the increasing prevalence of non-communicable diseases such as cardiovascular disease, stroke, cancer, diabetes and chronic lung diseases. In addition, a growing population and, in turn, growing demand for medicine generally, is expected to fuel the growth of the Indian pharmaceutical industry. India is expected to become one of the leading countries in the world in terms of spending on medicine over the next few years. Along with the above-mentioned factors, favorable initiatives and schemes from the Government of India to encourage companies to manufacture ingredients domestically (PLI scheme) will also support the growth of the domestic pharmaceutical industry. However, the growth trajectory is expected to remain slightly slower compared to the historical growth rate. The slowdown in growth rate could be attributable to rising competitiveness and saturation in the generics market, which has driven the growth in the past. Additionally, government initiatives like price controls on essential medicines, such as the Drug Price Control Order (DPCO) are likely to put downward pressure on prices, limiting revenue growth.

Chart 17: Domestic market size for Pharmaceuticals Industry



Source: IBEF, Department of Pharmaceuticals, CareEdge Research; E: Estimated; P: Projected

4.3. Market segmentation of the domestic pharmaceutical industry

The products manufactured by the Indian pharmaceutical industry can be broadly classified into bulk drugs (active pharmaceutical ingredients - API) and formulations. Of the total number of pharmaceutical manufacturers, about 77% produce formulations, while the remaining 23% manufacture bulk drugs. Bulk drug is an active constituent with medicinal properties, which acts as basic raw material for formulations. Formulations are specific dosage forms of a bulk drug or a combination of bulk drugs.

4.4. Key growth drivers for the overall Pharmaceutical Industry

- **Growth in chronic diseases segment**

The chronic disease segment is poised for sustained growth in the medium term, driven by the need for long-term treatments and recurring prescriptions. Chronic care drugs, addressing non-communicable diseases like cancer, cardiovascular ailments, diabetes, and mental disorders, see higher prescription frequency due to their prolonged treatment cycles and the interconnected pharmaceutical supply chain. According to WHO data, India has experienced an increase in life years lost to non-communicable diseases from 2000 to 2021, while losses from communicable diseases like tuberculosis and respiratory infections have declined, reflecting the rising burden of chronic conditions. This trend underpins the expanding demand for chronic care medications.

Table 4: Disability adjusted life years lost in India led by non-communicable diseases

Particulars	Disability adjusted life years (DALYs)	
	2000	2021
Communicable diseases	**32.6%**	**15.2%**
Tuberculosis	15.4%	3.4%
Respiratory functions	4.3%	7.6%
Diarrhea diseases	4.8%	1.3%
Other	8.1%	2.9%
Non-communicable diseases		
Cancer	1.0%	1.6%
Diabetes mellitus	0.5%	1.0%
Mental disorders	2.0%	2.2%
Endocrine, blood, immune disorders	0.3%	0.2%
Neurological conditions	1.0%	1.1%
Cardiovascular diseases	4.2%	5.5%
Respiratory diseases	1.8%	2.3%
Sense organ diseases	0.9%	1.1%
Other	6.3%	6.3%
Total non-communicable diseases	**18.1%**	**21.4%**

Source: World Health Organisation, CareEdge Research

- **Government support via PLI schemes**

The support under PLI schemes is expected to promote the production of high-value products in the country and increase the value addition in exports as well as generate employment for both skilled and unskilled personnel, estimated at 20,000 direct and 80,000 indirect jobs as a result of growth in the sector. Three bulk drug parks, located in Gujarat, Himachal Pradesh, and Andhra Pradesh should provide a consistent supply of bulk drug active components and will ensure India's drug security. Additionally, in March-2024, 27 greenfield bulk drug park projects and 13 greenfield manufacturing plants for medical devices were inaugurated under the PLI scheme. The scheme aims to support the production of 41 bulk drugs with a total allocation of ₹6,940 crore over its duration, spanning FY21 to FY30.

- **Growing Infrastructural development**

India has the greatest number of FDA-regulated drug manufacturing facilities after the U.S. Around 650 plants, constituting a quarter of all USFDA-approved facilities outside the United States, highlight its significant role in pharmaceutical production.

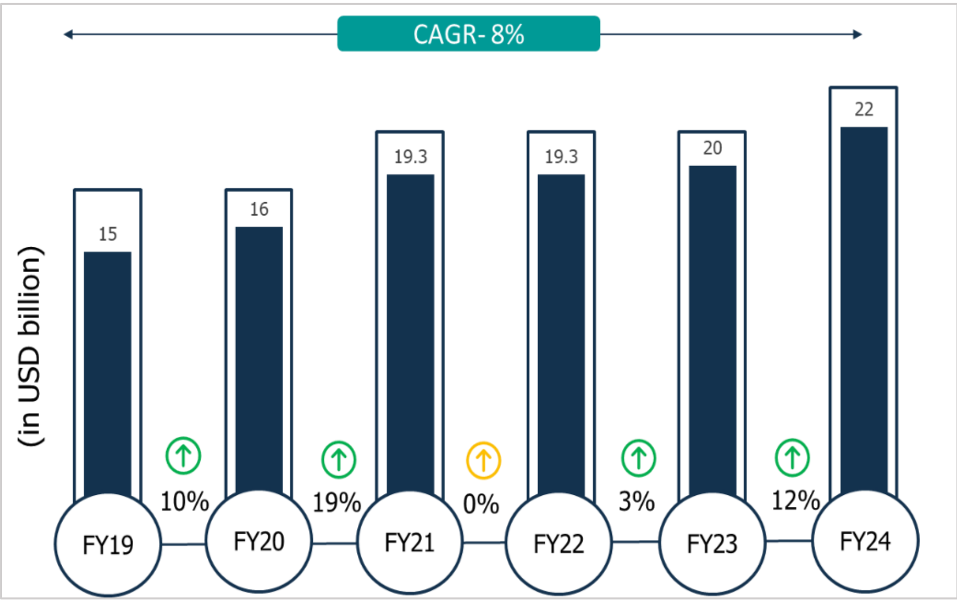
- **With life expectancy improving and changing demographic profile, healthcare services a must**

India's improving life expectancy and demographic shift are driving increased healthcare needs. By 2031, 13% of the population is projected to be aged 60 or older, compared to 8% in 2011. According to the UNFPA's 2023 report, over 30% of elderly women and 28% of men suffer from chronic conditions such as arthritis, hypertension, and diabetes, with one-fourth experiencing multiple morbidities. With India's population expected to reach 1.4 billion by 2026, the rising prevalence of age-related diseases highlights significant growth opportunities for the domestic pharmaceutical industry, particularly in chronic care formulations.

4.5. Trade scenario of the pharmaceutical industry Exports Scenario:

India is third largest exporter of pharmaceutical products globally, known primarily for its generic medicines. The country's exports reached $22 billion in FY24 clocking around 12% over FY23, contributing significantly to the global supply chain. Competitive pricing, a robust manufacturing base, and compliance with international regulatory standards are key factors driving the growth of pharmaceutical exports from India.

Chart 18: Exports of Overall Pharmaceutical products from India

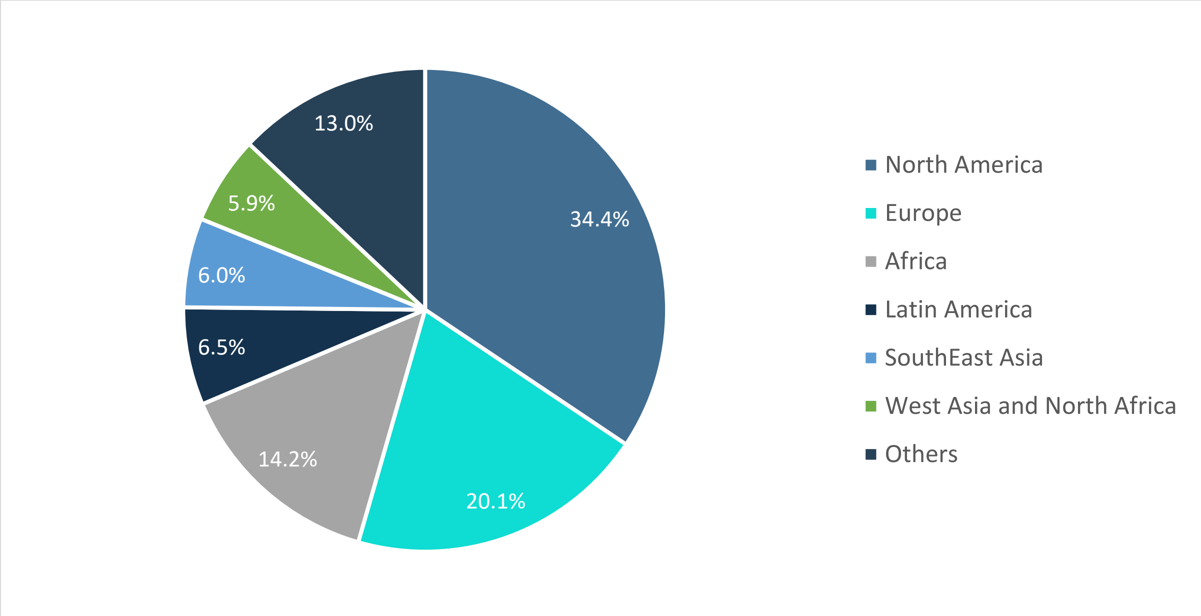


Source: DGFT, CareEdge Research; Note: HS code considered at 2-digit level for overall Pharmaceutical Products; HSN Code- 30

Key export destinations from India

The North American region, particularly the United States is the largest importer of Indian Pharmaceutical products, accounting for more than 30% of India's pharma exports. Other major markets include the European Union, Africa, Southeast Asia, and Latin America.

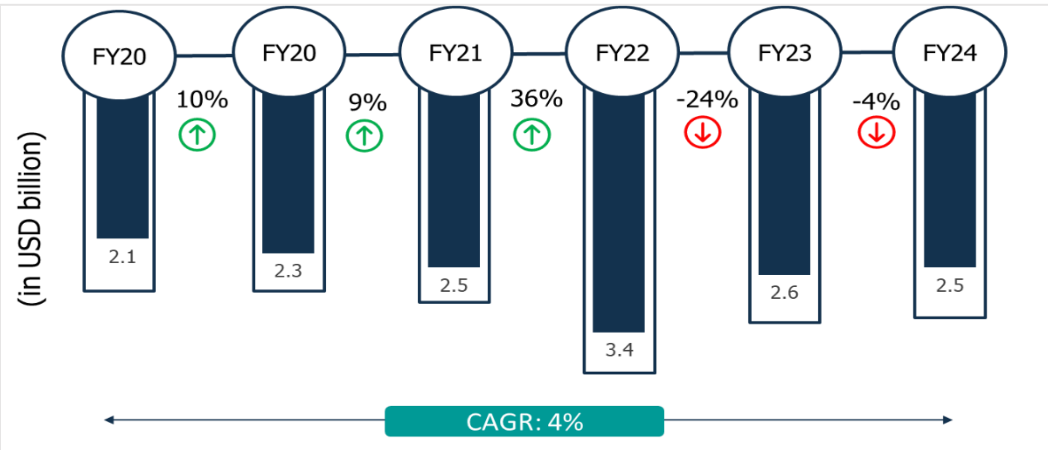
Chart 19: India's Key Export Destinations (FY24)



Source: IBEF, CareEdge Research

Imports Scenario: India's pharmaceutical imports are relatively smaller compared to its exports. India is heavily reliant on imports of APIs, especially from China which supplies around 60-70% of the APIs used in pharmaceutical manufacturing. However, the Indian government is working to reduce import dependency on imports, particularly APIs by promoting domestic production through initiatives like Production Linked Incentives (PLI) scheme.

Chart 20: Imports of Pharmaceutical products from India



Source: DGFT, CareEdge Research; Note: HS code considered at 2-digit level for overall Pharmaceutical Products; HSN Code- 30

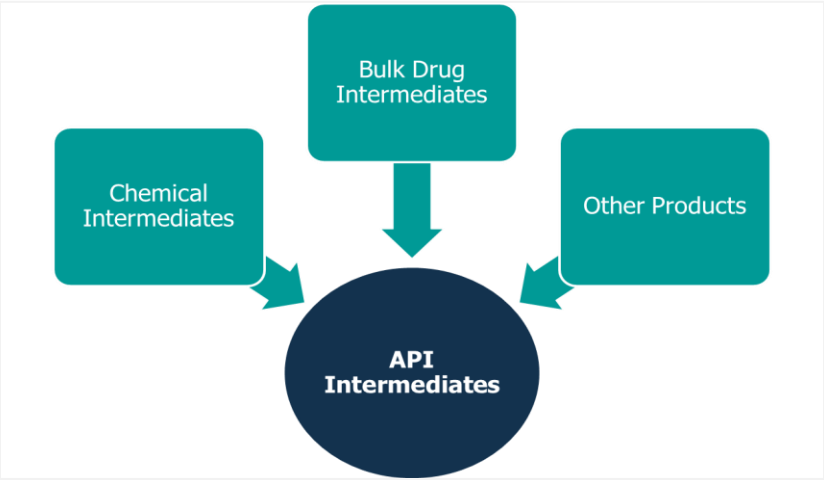
5. Global API Intermediates market

5.1. Global market overview and market size

API intermediates are critical chemical compounds utilized in the production of active pharmaceutical ingredients (APIs). These intermediates act as transitional building blocks, essential for the synthesis process, undergoing chemical transformations that ultimately result in the final API. Their complexity ranges from simple compounds to highly intricate structures, which significantly influence the efficiency, purity, and safety of the pharmaceutical manufacturing process. With advancements in drug development, new intermediates are being continuously developed, enhancing drug synthesis and formulation processes.

API intermediates are classified into various types, such as chemical intermediates, bulk drug intermediates, and other products. As industry progresses, these intermediates play a vital role in improving production chain efficiency, ensuring better quality and performance of the final pharmaceutical products.

Chart 21: Classification of Global API Intermediates by product



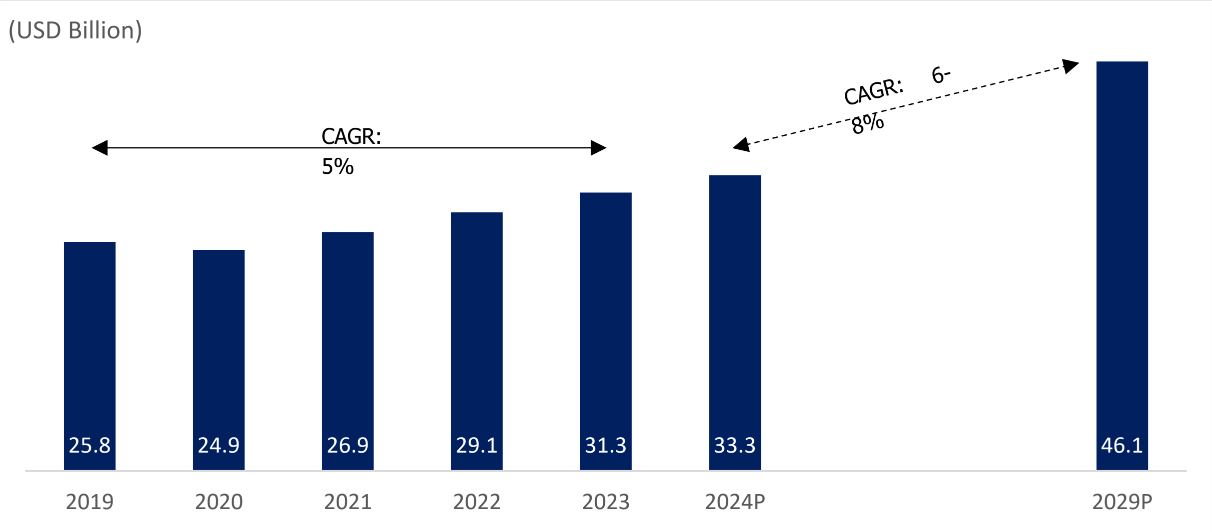
Source: The Business Research Report on API Intermediates from EMIS Professional Database, CareEdge Research

1. **Chemical Intermediates:** These are essential compounds produced during the synthesis of more complex chemicals also known as essential building blocks used to synthesize active pharmaceutical ingredients (APIs), enabling the creation of more complex molecules that form the core of various medicines. Examples include piperazine derivatives and acetophenone intermediates, which are critical in the development of antibiotics, antihistamines, and anti-cancer drugs.

2. **Bulk Drug Intermediates:** These compounds are produced on a larger scale and are used in the formulation of APIs, ensuring the mass production of medications. These intermediates streamline the production process, enabling pharmaceutical companies to optimize their manufacturing capabilities.

3. **Other Products:** This category encompasses excipients, catalysts, and custom intermediates that support pharmaceutical synthesis and production.

Chart 22: Global API Intermediates Market size



Source: The Business Research Report on API Intermediates from EMIS Professional Database, CareEdge Research; P: Projected

The global API Intermediates market stood at ~$26 billion in CY2019 to reaching $31.3 billion in CY2023, growing at a CAGR of 5% over the period. The global API intermediates market was driven by several key factors, including a rapidly ageing population and the growing need for diverse drug formulations. The market is also strengthened by large pharmaceutical and biopharmaceutical industries, high production of generic drugs, increasing demand for pharmaceuticals, and significant R&D activity in drug discovery. Moreover, supportive government initiatives further promote growth, creating a favorable environment for both innovation and production in the pharmaceutical sector.

Going further, from CY2024 to CY2029 the API intermediates market is projected to expand at a CAGR of 7%, driven by key factors such as the rising prevalence of chronic diseases, an increasing ageing population, and the robust growth of pharmaceutical manufacturing. These trends are contributing to heightened demand for innovative drug formulations, expanding the role of intermediates in the pharmaceutical production chain.

5.2. Global Piperazine[3] and Pyridine Market Assessment

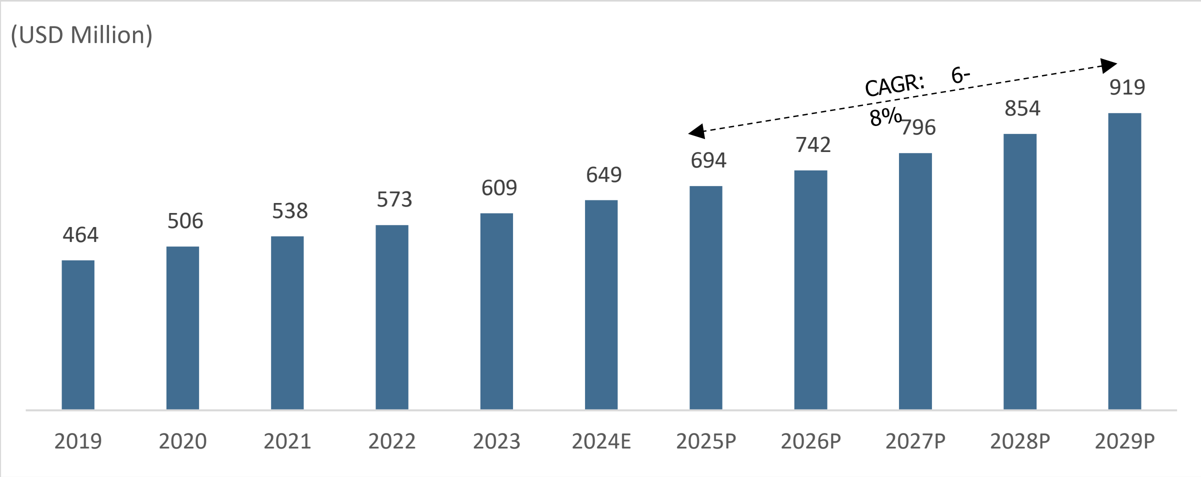
In the global API intermediate market, the demand for high-quality intermediates that can be used in the synthesis of diverse and effective pharmaceutical compounds is steadily increasing. Among these, piperazine and pyridine derivatives play a vital role in the production of active pharmaceutical ingredients (APIs) for drugs targeting central nervous system (CNS) disorders, mental health conditions, parasitic infections, and allergic reactions.

The pharmaceutical industry has been witnessing positive trends, during Covid and post covid times, particularly for antibiotics drugs. These factors contributed to an increase in market for drugs containing piperazine, as they turn out to be the key ingredients in treatments for anxiety, depression, and infections.

Going forward, the piperazine market is expected to grow at a CAGR of 6-8% from CY24 to CY29 driven by increasing prevalence of chronic and infectious diseases, coupled with advancements in drug discovery processes, is likely to boost the adoption of piperazine derivatives as essential intermediates in pharmaceutical manufacturing.

Piperazine is an organic compound that consists of a six-membered ring containing two nitrogen atoms at opposite positions in the ring. They are a broad class of chemical compounds, many with important pharmacological properties

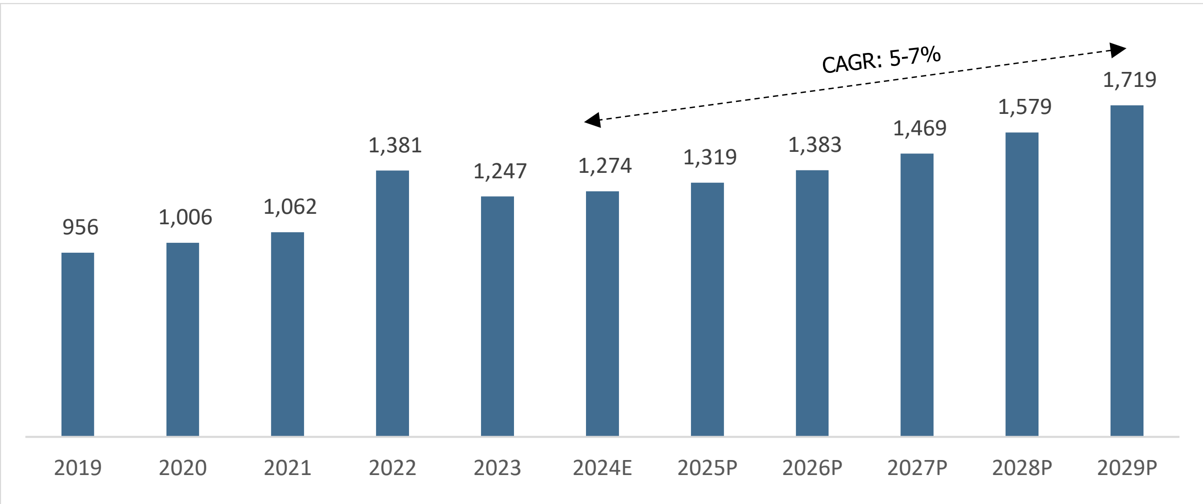
Chart 23: Global Piperazine Market: Industry Size



Source: Grand View Research, CareEdge Research; E: Estimated; P: Projected

The growing global demand for CNS drugs, mental health medications, antihistamines, and parasitic disease treatments is a key driver for their continued relevance. As the focus on personalized and targeted therapies intensifies, the market for piperazine and pyridine derivatives is expected to grow further. Their integral role in producing high-demand APIs ensures their position as essential components of the pharmaceutical manufacturing process, with ongoing growth expected due to increasing healthcare needs worldwide. Following the similar traction, the global pyridine market is expected to grow at a CAGR of 5-7% from CY24 to CY29.

Chart 24: Global Pyridine[4] Market: Industry Size



Source: Grand View Research, CareEdge Research; E: Estimated; P: Projected

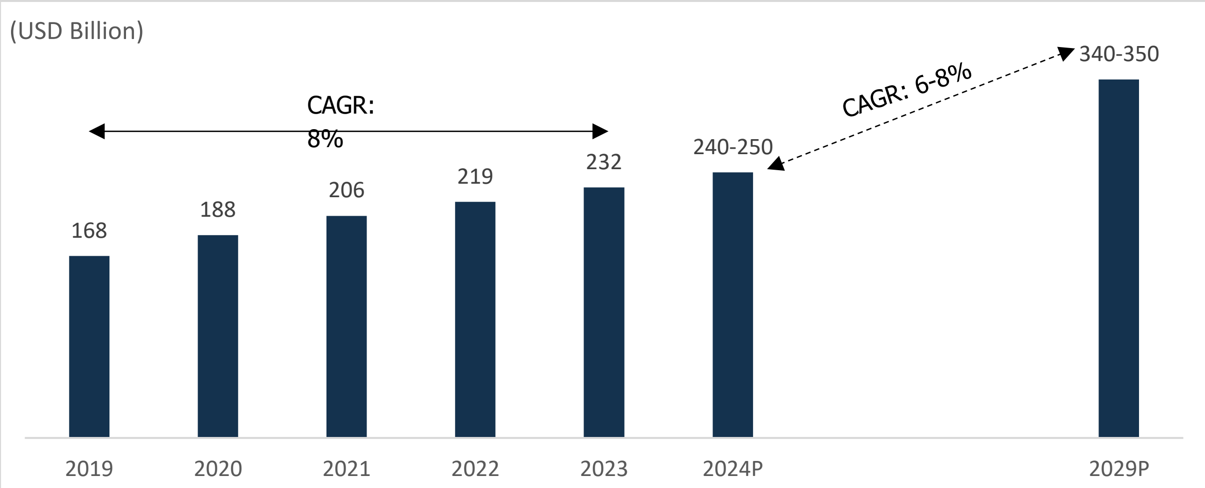
Additionally, growing investments in healthcare and R&D are further propelling the market's development, positioning it for steady growth in the coming years. Key driving factors for the Global API Intermediates Industry

Pyridine is an organic compound consisting of a six-membered aromatic ring containing one nitrogen atom in place of a carbon atom. It is a heterocyclic compound and serves as a key structural framework for a wide range of chemicals, including many with significant industrial and pharmacological applications.

5.2.1. Key Growth Drivers

1. Continued demand from API Industry: The growing demand for active pharmaceutical ingredients (APIs) is a significant driving force behind the API intermediates market. As the healthcare landscape evolves, particularly with the rise in chronic diseases and an ageing population, the need for APIs continues to escalate. API intermediates serve as essential building blocks in the synthesis of these APIs, making their production critical for meeting the increasing pharmaceutical needs. This interdependence highlights the importance of intermediates in enhancing the efficiency of pharmaceutical manufacturing processes. Notably, the global API market grew at a CAGR of 8% from 2019-2023 to reach $232 billion. Further, the growth trajectory is expected to continue, and industry is likely to witness a CAGR of 6-8% to reach in the range of $340-350 billion in 2029.

Chart 25: Market size & forecast of Global API Industry



Source: Grand View Research, Active Pharmaceutical Ingredient Market Analysis Report from EMIS Professional Database; P: Projected, CareEdge Research

2. Expansion of Specialty APIs

With the rising popularity of specialty drugs (e.g., for rare diseases and niche markets), there is growing demand for specialized API intermediates. These drugs often require highly customized chemical building blocks, leading to increased production of niche intermediates.

3. Growing Outsourcing Trends

Pharmaceutical companies are increasingly outsourcing the production of intermediates to contract manufacturing organizations (CMOs) in cost-effective regions like India and China. The Contract manufacturing entails the development of a product under confidentiality for a single customer using the process know-how and the technical specifications provided by the customer. This allows them to focus more on core competencies such as R&D, clinical trials, and commercialization. The growth of the outsourcing model is directly boosting the API intermediates industry.

4. Regulatory Push Driving Adoption of China Plus One Strategy to Diversify Supply Sources

Post-pandemic, the global pharmaceutical industry is reducing its dependence on single-country sourcing (particularly China). The reliance on China had led to face major disruptions. However, as India has been the evolving player, the country has been strategically positioned to become the upcoming market leader in the API Intermediates space supported by government backed investment as well as rising investment opportunities as a part of the China plus one strategy.

5. Emphasizing Green Chemistry to Mitigate the Environmental Impact of Synthetic Chemistry

The synthetic chemistry industry and API intermediates market are increasingly prioritizing green chemistry to lessen their environmental footprint and support sustainable development. Green chemistry focuses on creating processes and products that minimize hazardous substances by adhering to principles such as waste reduction, atom economy, energy efficiency, and renewable feedstock usage. Driven by heightened environmental awareness, stringent regulations, and consumer demand for eco-friendly options, this trend encourages industries to adopt innovative practices, such as using safer solvents and energy-efficient methods, to decrease waste and carbon emissions. As a result, there is a growing preference for vendors to employ eco-friendly processes, making sustainability a critical factor in supplier selection.

5.3. Assessment of key countries to regulations with respect to API & Intermediates market

The global API & Intermediates market is governed by diverse regulatory frameworks that vary significantly in focus regions such as North America, Europe, Asia. Each region has developed its regulatory standards to ensure the safety, efficacy.

Chart 26: Regulatory framework of key countries for API and Intermediates

Country/Region	Regulatory Body	Key Regulations for APIs & Intermediates	API Licensing/Submission Process	API Intermediate Licensing/Submission Process
Canada	Health Canad	Food and Drugs Act & Food and Drug Regulations	APIs require a Drug Establishment License (DEL) and compliance with GMP standards.	API intermediates must comply with GMP and are included in the DEL requirements.
USA	Food and Drug Administration (FDA)	FD&C Act, 21 CFR Parts 210 & 211	APIs require submission of a Drug Master File (DMF). Approval is part of the ANDA/NDA process for drug products.	API intermediates are included in the DMF and subject to cGMP requirements but do not require separate licensing.
EU	European Medicines Agency (EMA)	Directive 2001/83/EC, ICH Q7, EU GMP Guidelines	APIs require submission of an Active Substance Master File (ASMF) or a Certificate of Suitability (CEP) to demonstrate compliance.	API intermediates must comply with GMP and are part of the ASMF or CEP submission for the final API.
India	Central Drugs Standard Control Organization (CDSCO)	Drugs & Cosmetics Act, 1940, Drugs and Cosmetics Rules	APIs require licensing from CDSCO, with full compliance to Schedule M GMP guidelines for domestic and export markets.	API intermediates also require Schedule M GMP compliance and are licensed alongside APIs.
China	National Medical Products Administration (NMPA)	Drug Administration Law, DMF System	APIs require submission through the DMF system for review and must comply with GMP standards for local production and export.	API intermediates must comply with GMP and are part of the DMF submission process, ensuring quality in final API production.

Japan	Pharmaceuticals and Medical Devices Agency (PMDA)	Pharmaceutical and Medical Device Act, ICH Q7	APIs require a Drug Master File (DMF) submission and must comply with Japan's strict GMP regulations for approval.	API intermediates are included in the DMF, and GMP compliance is required for the manufacturing of the final API.

Source: CareEdge Research

6. Global growth prospects and market size for key therapy areas

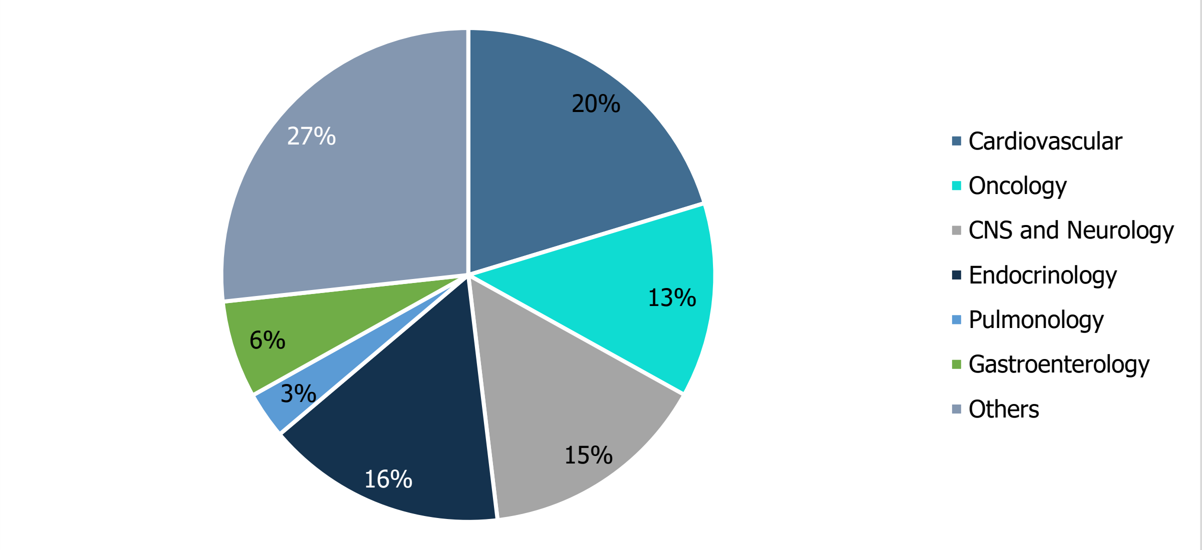
Overview of Therapeutic categories

In the field of medicine, therapeutic categories are essential for classifying treatments based on the specific diseases and conditions they address. Each category targets a particular system or set of disorders, allowing for a more focused approach to patient care. This framework helps in organizing healthcare solutions and advancing research in specialized areas of medicine.

One of the largest therapeutic areas is Cardiovascular, which encompasses treatments for heart and blood vessel diseases such as hypertension, heart failure, and arrhythmias. Another critical field is Oncology, which focuses on cancer treatments, including chemotherapy, targeted therapies, and immunotherapy, addressing one of the most challenging areas of healthcare today. CNS & Neurology therapies are crucial for managing disorders of the nervous system, including conditions like epilepsy, Parkinson's, Alzheimer's, and various mental health disorders like depression.

Gastroenterology targets diseases of the digestive system, including common issues like acid reflux, Crohn's disease, and liver disorders. Together, these therapeutic categories form the backbone of modern medical treatments, addressing a wide range of chronic and acute health conditions. Each therapeutic category is advancing with research focused on improving efficacy, reducing side effects, and meeting global health challenges.

Chart 27: Segmental share of therapeutic categories (value terms)

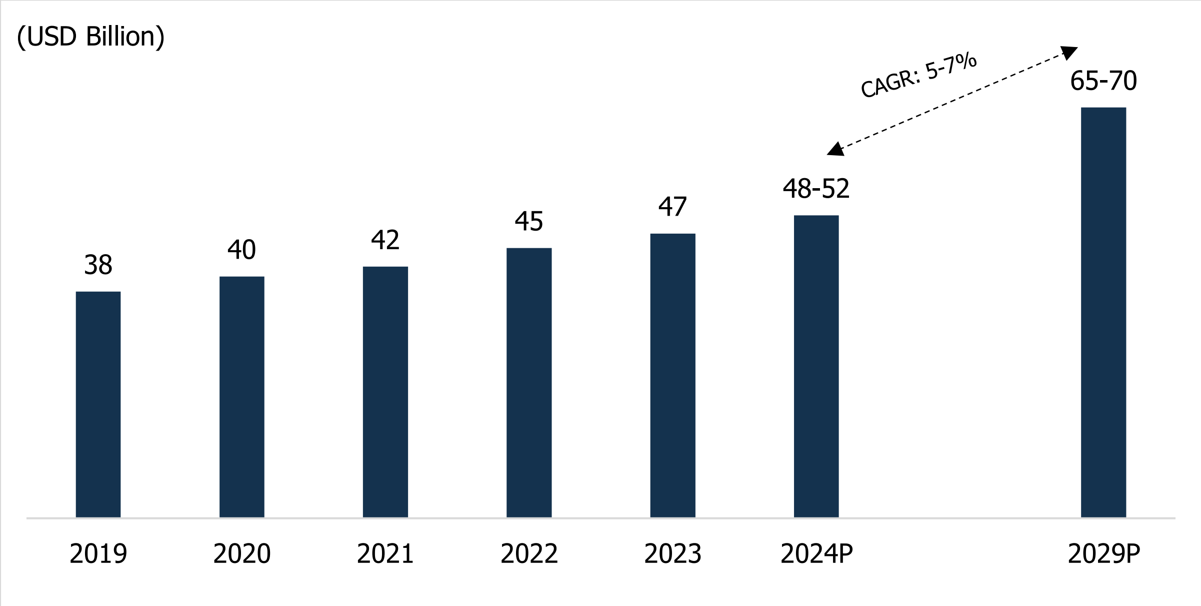


Source: Grand View Research, Active Pharmaceutical Ingredient Market Analysis Report from EMIS Professional Database, CareEdge Research; data as of CY2023

6.1. Cardiovascular APIs market

According to the World Health Organization (WHO), approximately 17.5 million people die annually due to cardiovascular diseases, accounting for 31% of global deaths. Heart attacks and strokes are responsible for 80% of these fatalities. Cardiovascular diseases have become a significant global public health challenge, fueling extensive research and development in the field of Active Pharmaceutical Ingredients (APIs). The increasing prevalence of cardiovascular conditions is driven by factors such as lifestyle changes, rising obesity rates, and excessive alcohol consumption. To reduce mortality, early diagnosis and effective treatment are essential. Additionally, the global incidence of stroke continues to rise, further highlighting the need for improved cardiovascular care and prevention strategies. Key intermediates include beta-blockers such as hydrochlorothiazide to prepare APIs like Labetalol. These intermediates are critical for synthesizing APIs used in treating heart diseases and hypertension.

Chart 28: Global Market size for cardiovascular APIs



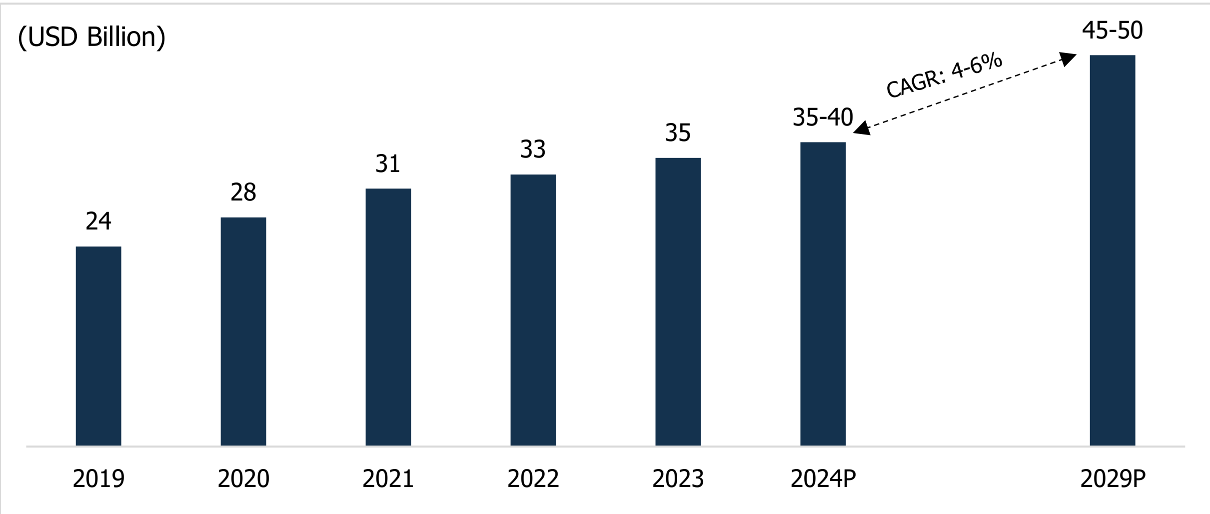
Source: Grand View Research, Active Pharmaceutical Ingredient Market Analysis Report from EMIS Professional Database; P: Projected, CareEdge Research

6.2. CNS and Neurology APIs market

Neurological disorders are a leading cause of disability worldwide, driving demand for effective treatments. The development of APIs for central nervous system (CNS) drugs, such as analgesics, muscle relaxants, and anesthetics, is critical for managing conditions like pain, epilepsy, and psychotic disorders.

CNS diseases stem from genetic predisposition (e.g., Alzheimer's, Parkinson's, epilepsy), environmental triggers (toxins, infections, injuries), age-related degeneration (dementia), and lifestyle factors (diet, inactivity, stress). Key conditions like multiple sclerosis, Alzheimer's, and psychotic disorders dominate the CNS therapeutics market, underscoring the need for innovation in treatment strategies. Piperazine derivatives are one of the key intermediate category commonly used in the synthesis of antipsychotic drugs, particularly quetiapine, which is widely prescribed for the treatment of schizophrenia, bipolar disorder, and major depressive disorder.

Chart 29: Global Market size for CNS and Neurology APIs



Source: Grand View Research, Active Pharmaceutical Ingredient Market Analysis Report from EMIS Professional Database; P: Projected, CareEdge Research

6.3. Gastroenterology APIs market

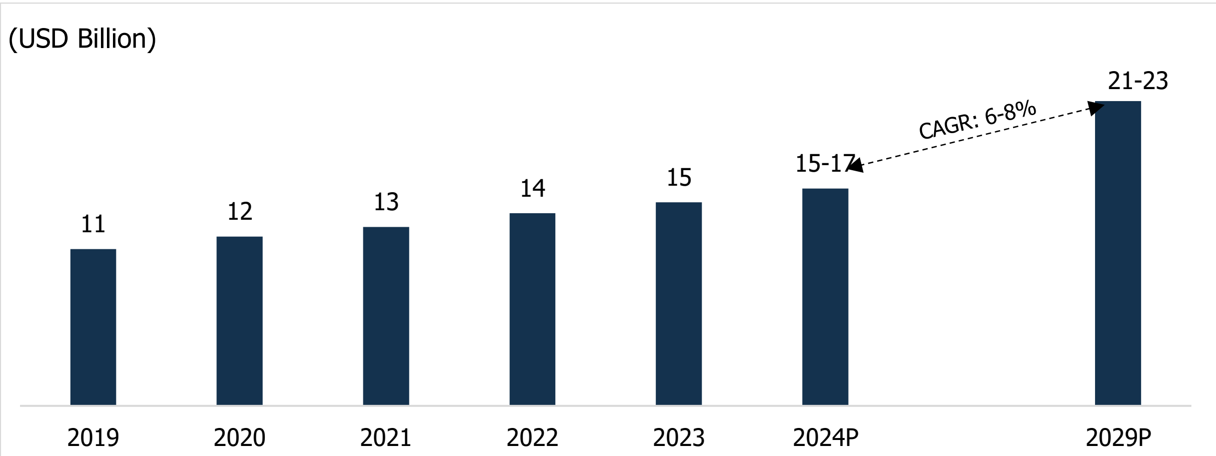
Gastrointestinal (GI) disorders encompass a range of conditions affecting the stomach, esophagus, and both the small and large intestines. Common APIs used in treating these disorders include loperamide, famotidine, and pantoprazole. Notable GI conditions include Gastroesophageal Reflux Disease (GERD), Crohn's disease, ulcerative colitis, gastritis, ulcers, infections, and constipation. Among these, GERD is one of the most frequently recurring and chronic conditions worldwide, with observational studies indicating that nearly everyone experiences GERD at least once in their lifetime.

As people age, the prevalence of GI disorders tends to increase, underscoring the need for effective treatments, including parenteral drugs. GERD not only significantly impacts patients' quality of life and health but also places a heavy burden on healthcare systems and economies.

Despite the growing need for effective GI treatments, the oral route of drug administration remains highly preferred. This trend could negatively affect the market for certain forms of gastrointestinal drugs, as patients increasingly opt for self-treatment and over the counter (OTC) products. This shift in consumer behavior is expected to drive demand for APIs used in the production of OTC medications. Furthermore, rising demand for novel therapeutics—driven by the known side effects of existing treatments—points to an increased need for innovative API-based products in gastroenterology.

These trends highlight the importance of ongoing research and development to meet the growing demand for safer and more effective GI treatments.

Chart 30: Global Market size for Gastroenterology APIs



Source: Grand View Research, Active Pharmaceutical Ingredient Market Analysis Report from EMIS Professional Database; P: Projected, CareEdge Research

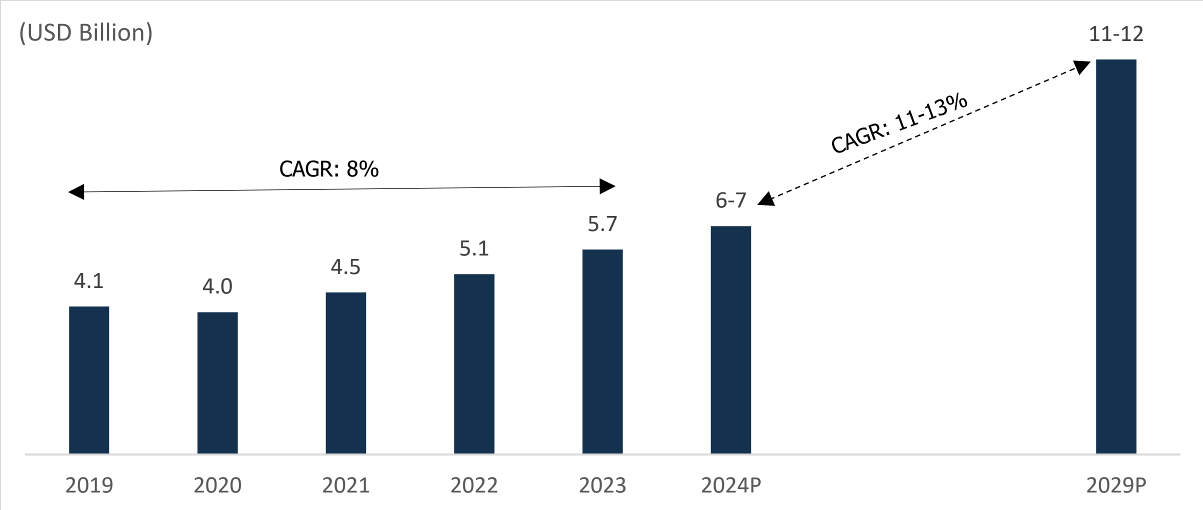
7. Domestic API Intermediates market

7.1. Overview and market size of the API Intermediates market

API Intermediates are crucial components in pharmaceutical value chain. Intermediates, as semi-finished products, play a vital role in producing finished drugs. The intermediates segment is experiencing growth driven by the need for industry-specific chemicals and innovations. Advancements in various industries demand dynamic changes in product development through different stages of intermediates.

The market size was estimated to have remained at ~$6 billion in CY2023 and is projected to grow at a CAGR of 11-13% from CY2024 to CY2029, driven by several key factors. One significant driver is India's position as a major global supplier of API intermediates due to its strong capabilities in cost-effective manufacturing, availability of skilled labor, and established chemical infrastructure. The country's efforts to enhance self-reliance in pharmaceutical production, particularly through the Production Linked Incentive (PLI) schemes and government initiatives aimed at reducing dependency on imports, also contribute to this growth. Moreover, rising global demand for generic drugs and contract manufacturing, alongside increasing investment in R&D and innovation in India's chemical and pharmaceutical industries, further propels the market.

Chart 31: Domestic Market size for API Intermediates market



Source: CareEdge Research & Estimates; P: Projected, Years refer to Calendar Year

7.2. Trade scenario

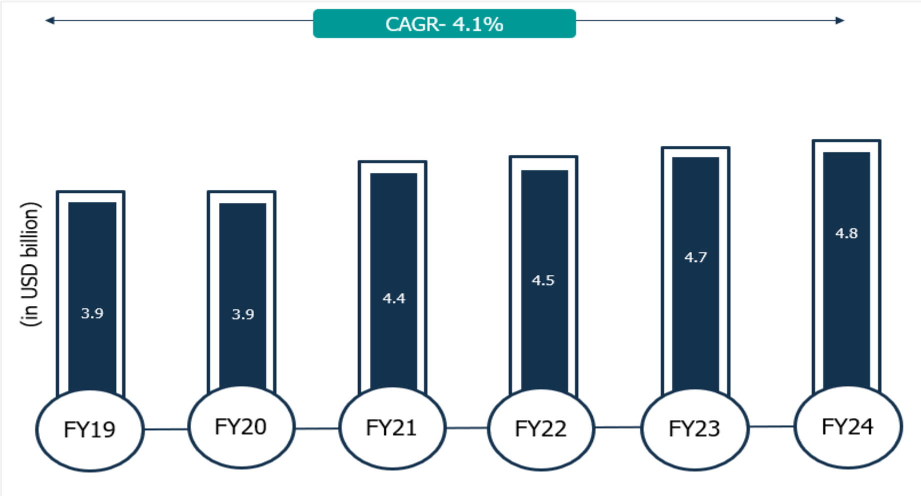
India's exports of API intermediates have been growing steadily, driven by the country's robust manufacturing capabilities and increasing global demand for affordable and quality pharmaceutical ingredients. India is a significant supplier of intermediates required for Active Pharmaceutical Ingredients (APIs) to many global markets, especially in regions like the U.S., Europe, and Southeast Asia. These exports play a key role in the global supply chain of essential drugs, especially in the generic medicine segment.

Government initiatives like the Production Linked Incentive (PLI) scheme are further boosting local production of intermediates, ensuring that India remains competitive in the global pharmaceutical market. The scheme focuses on reducing import dependence on key raw materials from countries like China, thereby strengthening India's position as a global supplier of high-quality intermediates.

7.2.1. India’s Exports for API and API Intermediates:

India's growth in API and API intermediates exports has grown steadily over the recent years. India's exports grew at 4.1% CAGR from FY19 to FY24 reaching $4.8 billion compared in FY24. This growth is driven by India's rising capabilities in chemical synthesis, government initiatives like the PLI scheme, reduced dependency on China, cost-efficiency, and advanced R&D infrastructure.

Chart 32: API and API Intermediates Exports from India

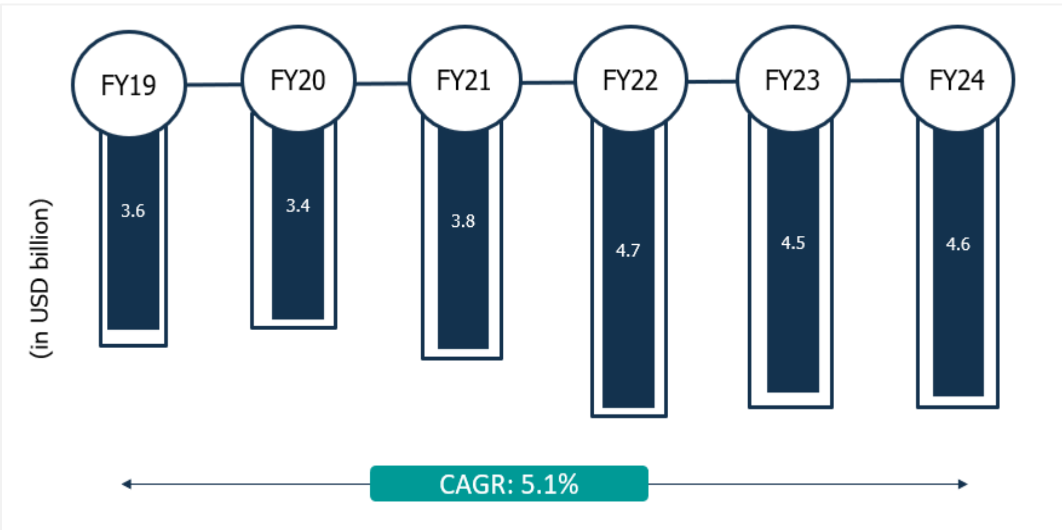


Source: CMIE, CareEdge Research

7.2.2. India's Imports for API and API Intermediates

Imports grew at a CAGR of 5.1% between FY19 and FY24. While the gradual growth in imports still indicates dependency on China for our imports, the modest figure also emphasizes the country's rising domestic production restricted greater rise in imports to meet the domestic needs.

Chart 33: API and API Intermediates Imports from India



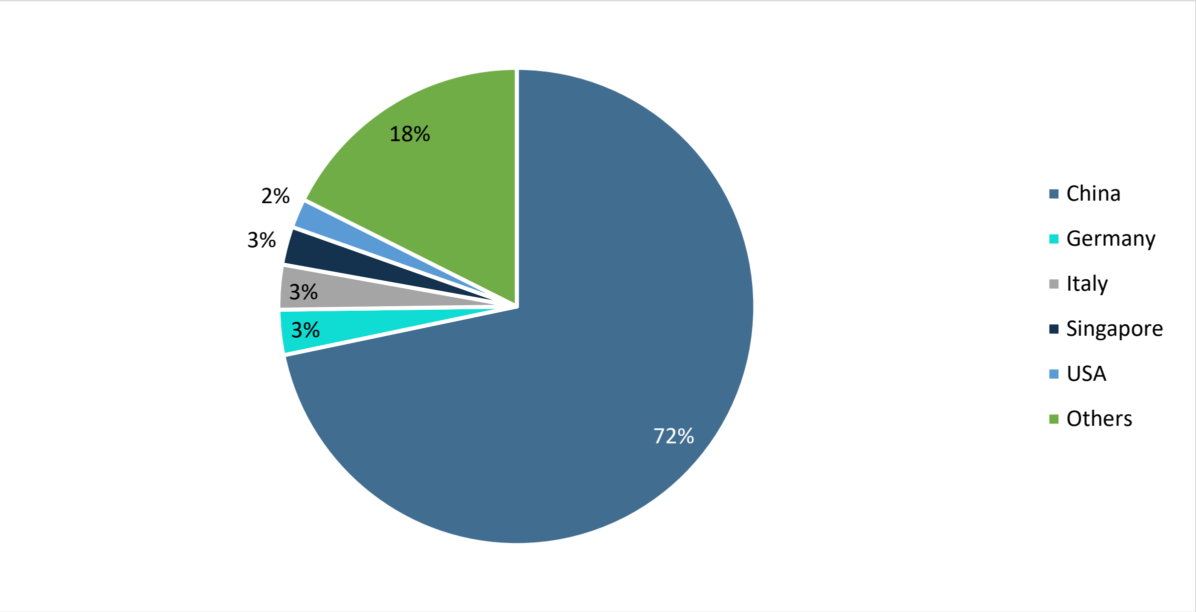
Source: CMIE, CareEdge Research

7.2.3. India's reliance on China for Imports and way forward

Substantial Dependence on China

India's dependence on China for key starting materials (KSMs) and active pharmaceutical ingredients (APIs), particularly for antibiotics and vitamins, has long been a pressing issue. More than 70% of these materials come from China, with cheaper imports driving the reliance. In response, India has ramped up efforts to reduce import reliance and develop self-sufficiency in API and KSM production.

Chart 34: Top Importing countries for API and API Intermediates (value terms)



Source: CMIE, CareEdge Research

Government PLI schemes to drive production

The Indian government has introduced multiple initiatives to strengthen domestic pharmaceutical manufacturing, particularly through the Production Linked Incentive (PLI) scheme under the Self-Reliant India initiative. With a financial outlay of ₹15,000 crore, the scheme runs from 2020-2029 and aims to enhance India's manufacturing capabilities and diversify the pharmaceutical product portfolio. It focuses on three categories:

- Biopharmaceuticals and patented drugs (Category 1),
- APIs and drug intermediates (Category 2), and therapeutic drugs and
- In-vitro diagnostic devices (Category 3)

Incentives are based on incremental sales, with rates for Categories 1 and 2 at 10% for FY 2022-23 to FY 2025-26, 8% for FY 2026-27, and 6% for FY 2027-28. Category 3 incentives are lower, starting at 5% and decreasing over time to 3% by FY 2027-28. SIDBI (Small Industries Development Bank of India) manages this scheme, designed to stimulate innovation, R&D, and investment in MSMEs, benefiting small and medium-sized enterprises through anchor investments by larger players.

Furthermore, the PLI scheme for Bulk Drugs and Medical Devices has already made significant progress in its first year. These schemes focus on reducing reliance on imports and securing the domestic production of 41 critical Key Starting Materials (KSMs) and Active Pharmaceutical Ingredients (APIs). A substantial financial package of ₹9,940 crore was announced, with ₹6,940 crore allocated to the PLI scheme and ₹3,000 crore for establishing three bulk drug parks across India.

India strategically poised to reduce dependency on China for APIs and API Intermediates through robust domestic initiatives

The initiative's overall aim is to secure India's pharmaceutical supply chain and reduce dependency on foreign imports, particularly from China. The scheme ensures that India is better prepared for external shocks, such as supply chain disruptions, and helps make India a global leader in API and KSM production, targeting a **USD 120**

billion industry over the next decade. These efforts are designed to reduce the cost of production, advance continuous flow synthesis, and optimize chemical processes to make India more self-reliant in pharmaceuticals.

Research efforts, particularly from institutes like the Council of Scientific and Industrial Research (CSIR)-National Chemical Laboratory (NCL), are geared toward developing local intermediates, with the goal of reducing dependency on imports for essential pharmaceutical ingredients. NCL's work on developing simple chemical building blocks for various drugs plays a crucial role in this shift. The government's vision is to turn India into a $120 billion pharmaceutical hub in the next decade, with a stronger local supply chain, lower production costs, and reduced reliance on imports.

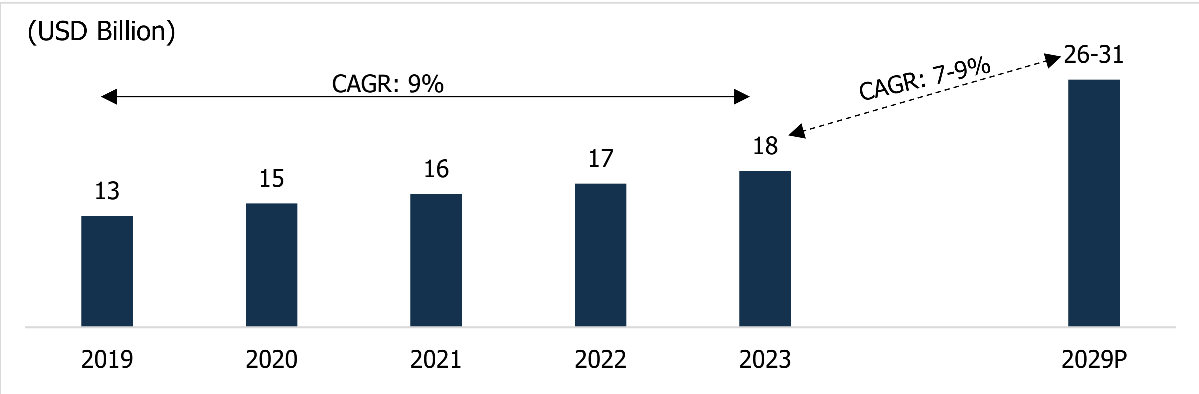
Technological advancements such as process optimization, continuous flow synthesis, and innovative drug synthesis methods will further enhance India's ability to meet its pharmaceutical demands independently. These changes, along with the PLI scheme's focus on reducing costs and streamlining production, represent a significant shift in India's pharmaceutical landscape, allowing the country to establish itself as a global leader in API and drug intermediate manufacturing.

7.3. Key Growth Drivers for the API Intermediates industry:

7.3.1. Rising growth of API Industry

India's Active Pharmaceutical Ingredient (API) market is a significant driver to the API intermediates industry. India is among the top producers of APIs, with a strong presence in both domestic and international markets. APIs account for around 35% of the Indian pharmaceutical market, and the country is home to approximately 500 API manufacturers, contributing about 8% to the global API supply. The domestic API market grew at a CAGR of 9% from 2019-2023 reaching $18 billion as of 2023. Furthermore, with strategic investments along with increased government support like Production Linked Incentives (PLI) schemes, the API industry is expected to grow further at a CAGR of 7-9% until 2029.

Chart 35: Domestic API market size and forecast



Source: Grand View Research, Active Pharmaceutical Ingredient Market Analysis Report from EMIS Professional Database, CareEdge Research

7.3.2. Lower cost of production

The Indian pharmaceutical industry holds a strong position in terms of production volumes in the global pharma market as the country contributes around 10% of the world production volumes and in terms of value, India holds a share of around 2.4% globally. Lower cost of production coupled by efficient scientific and technical skills of human resources are the prime reasons for India's strong position. The cost of drugs manufactured in India is one of the lowest in the world.

Table 5: Relative cost comparison in India

Costs in developed countries	100%
Production cost in India	50%

R&D cost in India	12.5%
Clinical trial cost in India	10%

Source: Pharmexcil
Note: Costs in India as % of costs in developed countries

It can be understood from the relative cost comparison table that the production cost in India is almost half than that in the developed countries. The R&D cost and clinical trial cost in India are cheaper as the costs of these activities are about 87% and 90% lower in India than that of the developed countries. Hence, the API industry in India benefits from lower costs and makes it an attractive destination for outsourcing by global pharmaceutical companies.

7.3.3. Patent cliff

Patent expiry allows the generic drugs to penetrate in the market and diversify product offerings. Over the next 3-4 years till 2026, patented products worth about USD 240 billion are expected to go off-patent. This provides a large opportunity to Indian generic formulation companies. Many of the Indian pharma companies are already working to develop the generic version of patented products to exploit the upcoming opportunity. It is expected that Indian pharma companies might get an opportunity worth around USD 5-6 billion due to patent expiry in next 4-5 years.

7.3.4. Transition in disease profile

Over the years, there has been a substantial change in the disease profile of Indians. As shown the table, the share of communicable, maternal, neonatal, and nutritional diseases for death decreased to 27.5% in 2016 from 53.6% in 1990 and that of non-communicable diseases increased to 61.8% in 2016 from 37.9% in 1990. This represents the transition or shift in the disease profile of population in India which provides an ample scope of opportunity for healthcare services and pharmaceutical industry in the country as the non-communicable diseases tend to be of long duration which, in turn, increases the need for pharmaceutical and healthcare services with respect to non-communicable diseases. This will further augur well for the API industry in India.

Table 6: Contribution of major disease group to total deaths in India

Diseases	1990	2016
Share of communicable, maternal, neonatal, and nutritional diseases	53.6%	27.5%
Share of non-communicable diseases	37.9%	61.8%
Share of injuries	8.5%	10.7%

Source: Health of the Nation’s States 2017: India Council of Medical Research

Malaria, dengue fever, common colds, cholera etc. are referred to as communicable diseases and diseases like cancer, diabetes, cardiovascular diseases and stroke etc. are referred to as non-communicable diseases.

7.3.5. Skilled workforce

India has a skilled workforce of scientists, researchers, and engineers driving the growth of the API and API Intermediate sector. Government initiatives like Pharma Vision 2020 aim to position India as a global leader in drug production by enhancing workforce skills through programs such as Skill India Mission, Pradhan Mantri Kaushal Vikas Yojana (PMKVY), and BIRAC. The Make in India campaign also promotes domestic manufacturing and workforce development, fostering innovation and competitiveness. These efforts collectively support the pharmaceutical industry's growth and global competitiveness.

7.3.6. Increasing contract manufacturing and outsourcing activities

The rising demand for pharmaceuticals in global and emerging markets, combined with many economies lacking the infrastructure and skills to produce Active Pharmaceutical Ingredients (APIs), positions India as an ideal hub for contract manufacturing and outsourcing. The **China Plus One Strategy**, adopted by various countries to diversify supply chains, presents India with a unique opportunity to attract investments.

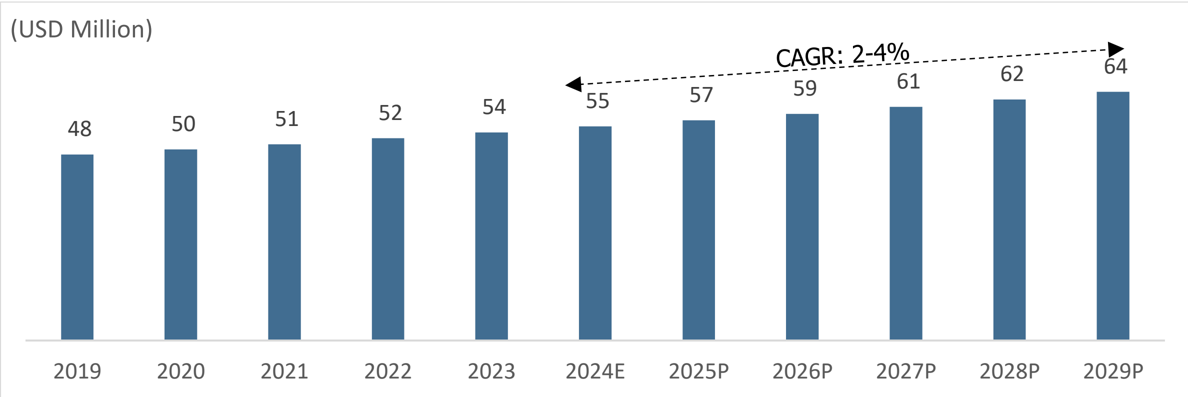
India's low production costs, skilled workforce, and robust regulatory framework make it a preferred alternative to China. By leveraging this strategy, Indian pharmaceutical companies can enhance their global presence, foster innovation through international partnerships, and benefit from increased foreign direct investment (FDI). This approach not only strengthens India's position in the global pharmaceutical landscape but also drives economic growth and job creation.

7.4. Key Intermediates Assessment

1. 1-[2-(2-Hydroxyethoxy) ethyl] Piperazine

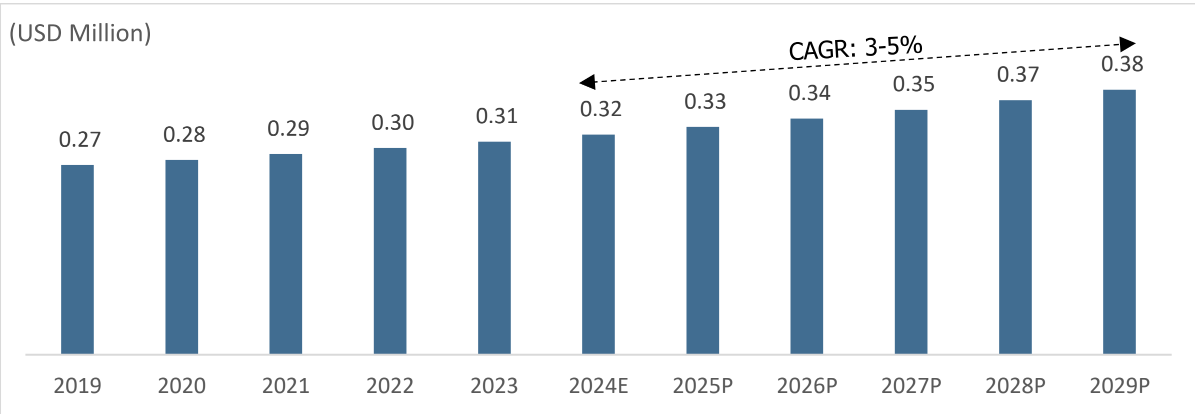
1-[2-(2-Hydroxyethoxy) ethyl] piperazine is an important chemical intermediate in the synthesis of various pharmaceutical compounds, especially drugs with psychoactive or central nervous system (CNS) activity. It plays a crucial role in the synthesis of quetiapine (Seroquel), a widely used atypical antipsychotic. However, this intermediate is also involved in the synthesis of other compounds with therapeutic effects. The global market for this product has been on a rising trend supported by its usage in different APIs. The global market for this product is expected to expand at a CAGR of 2-4% from CY24 to CY29 driven by its application in APIs while the domestic market is poised to expand at a CAGR of 3-5% over the same period.

Chart 36: Global market size and forecast of 1-[2-(2-Hydroxyethoxy) ethyl] Piperazine



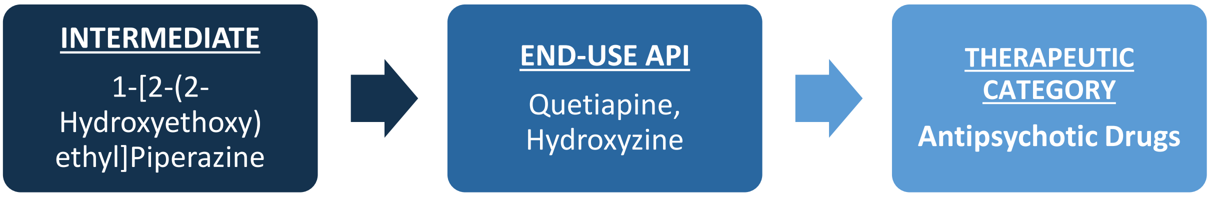
Source: Grand View Research, CareEdge Research

Chart 37: Domestic market size and forecast of 1-[2-(2-Hydroxyethoxy) ethyl] Piperazine



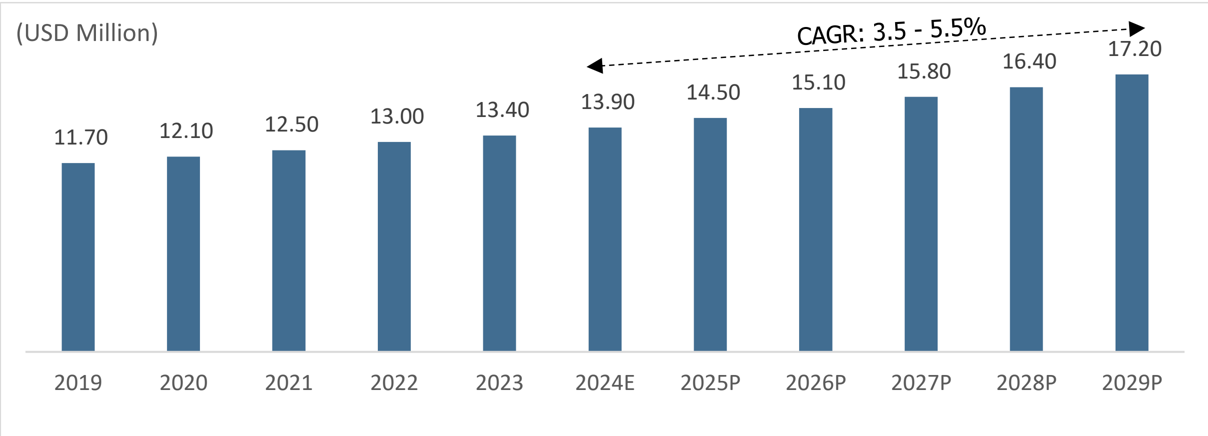
Source: Grand View Research, CareEdge Research

Intermediate value chain



The rising demand for 1-[2-(2-Hydroxyethoxy) ethyl] piperazine (HEEP) is closely linked to the increasing use of Quetiapine in treating various mental health disorders. As the market for antipsychotic drugs expands, driven by greater awareness and treatment of mental health issues, the demand for HEEP as a critical intermediate in the production of these medications is expected to continue its upward trajectory. Following this, the widely used application of this intermediate falls under the therapeutic category of Anti-Psychotic drugs. The global growth for this therapeutic category is likely to grow at a CAGR of 3.5-5.5% from CY24 to CY29 backed by its rising usage.

Chart 38: Global market size for Anti-Psychotic Drugs

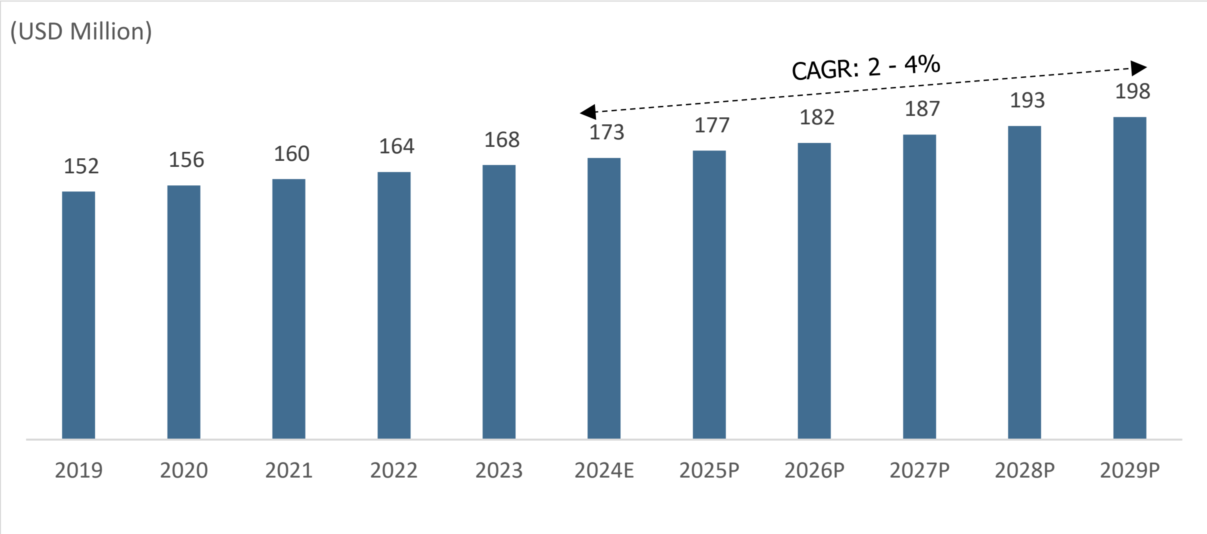


Source: Grand View Research, CareEdge Research

2. **Dibenzo[b,f][1,4] thiazepin 11 (10 H)-one**

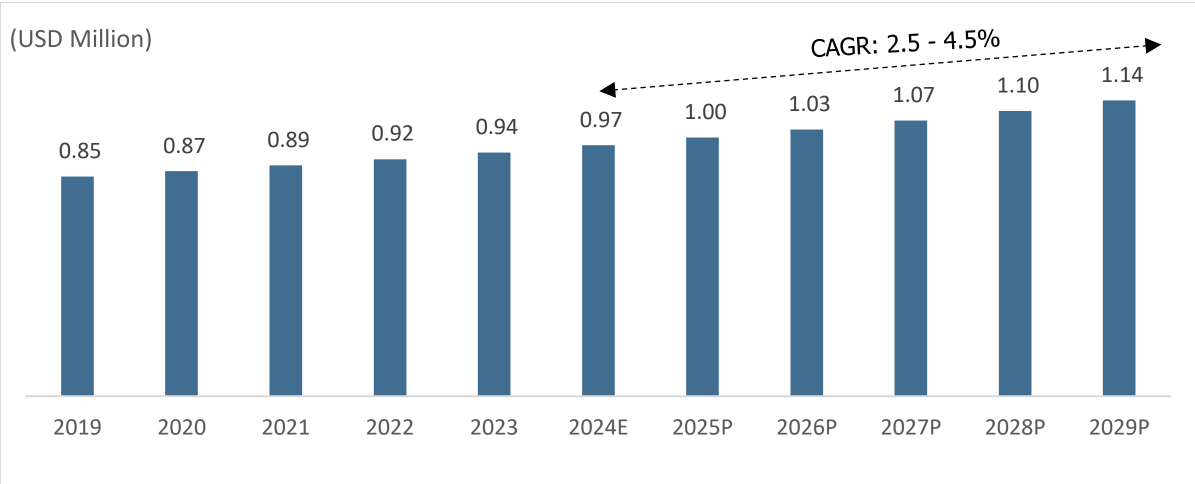
Dibenzo[b,f][1,4] thiazepin 11 (10 H)-one is integral to the chemical structure of both Quetiapine and Clozapine, which are classified as a typical antipsychotics. Quetiapine is widely used for treating conditions such as schizophrenia, bipolar disorder, and major depressive disorder The global market for this intermediate is expected to grow at a CAGR of 2-4% from CY24 to CY30 while the domestic market is expected to expand at a CAGR of 2.5-4.5%.

Chart 39: Global market size and forecast of Dibenzo[b,f][1,4] thiazepin 11 (10 H)-one



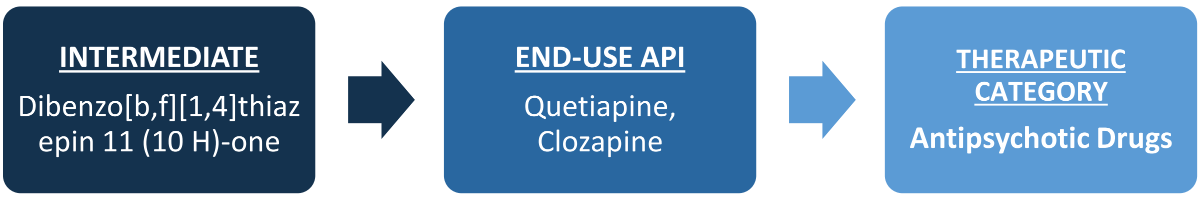
Source: Grand View Research, CareEdge Research

Chart 40: Domestic market size and forecast of Dibenzo[b,f][1,4]thiazepin 11 (10 H)-one



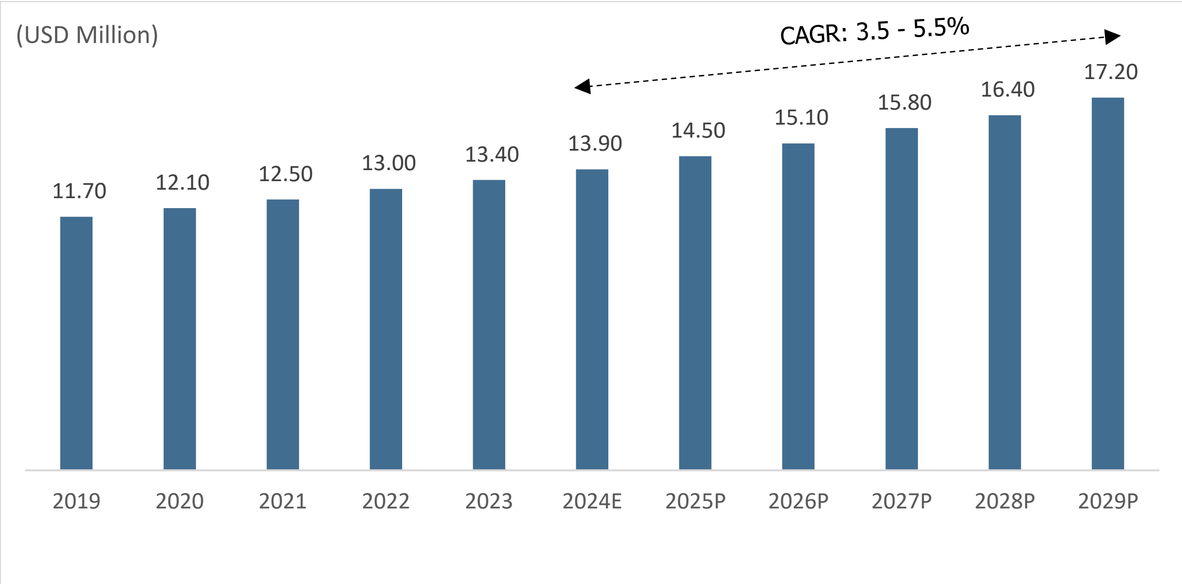
Source: Grand View Research, CareEdge Research

Intermediate value chain



The effectiveness of these drugs in managing severe mental health conditions has led to their increased prescription, which directly correlates with the rising demand for the Dibenzo[b,f][1,4] thiazepin 11 (10 H)-one.

Chart 41: Global market size for Anti-Psychotic Drugs

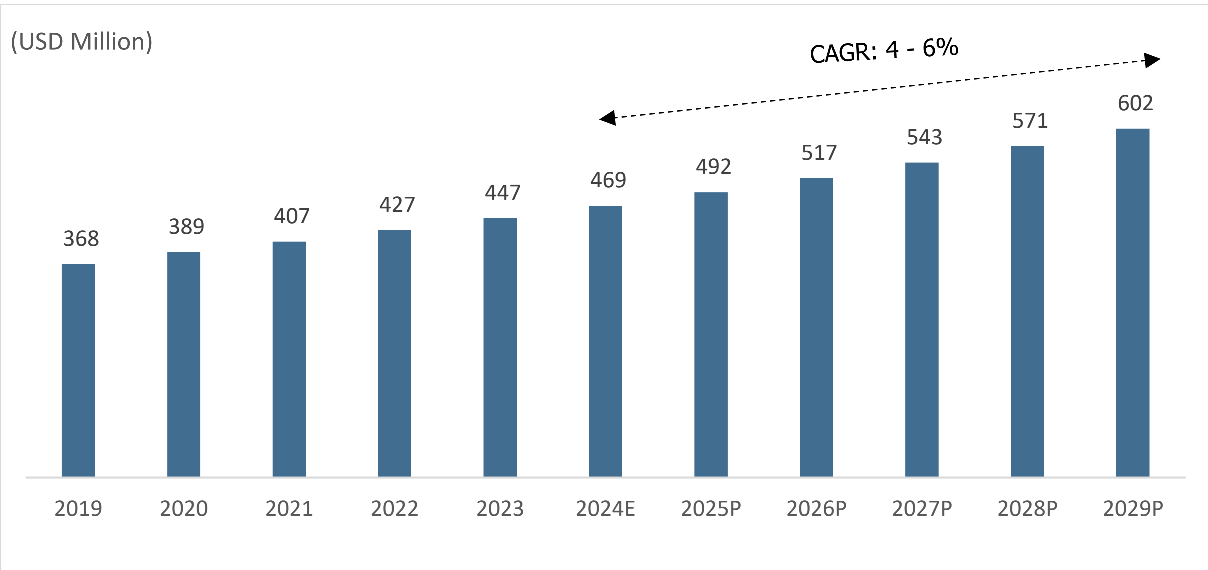


Source: Grand View Research, CareEdge Research

3. 2-Amino-4-phenylbutane

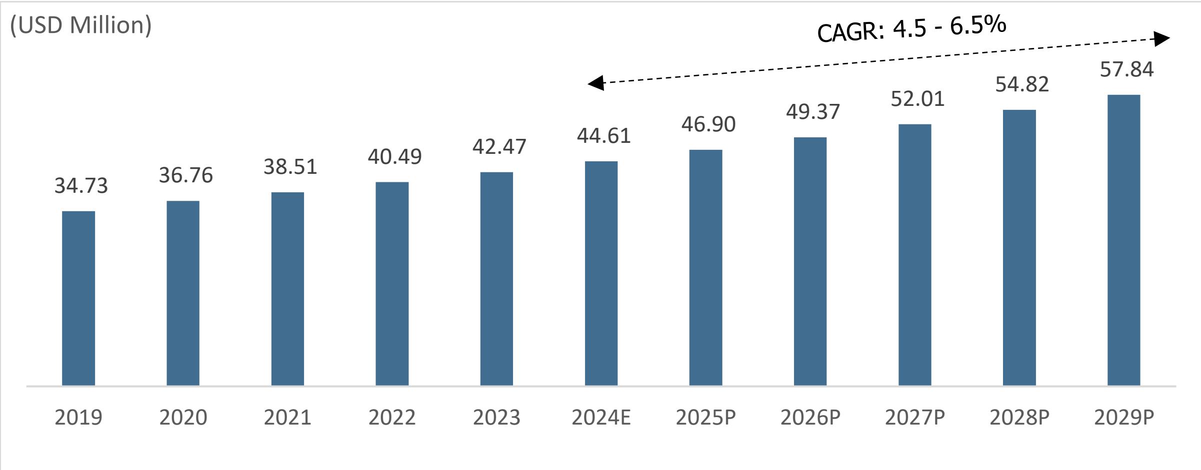
2-Amino-4-Phenylbutane is a key intermediate in the synthesis of pharmaceuticals, particularly Labetalol, which effectively treats high blood pressure and aids in angina management. The increasing prevalence of hypertension and related cardiovascular diseases is driving demand for Labetalol, thus elevating the importance of 2-Amino-4-Phenylbutane in the pharmaceutical industry. The global market for this intermediate is expected to grow at a CAGR of 4-6% from CY24 to CY29 whereas the domestic market is expected to expand at a CAGR of 4.5-6.5% over the same period.

Chart 42: Global market size for 2-Amino-4-phenylbutane



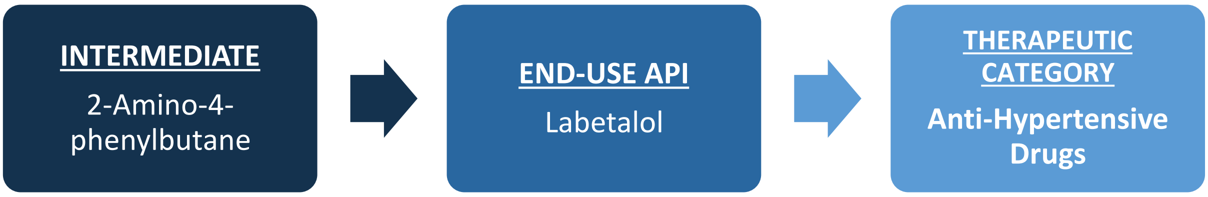
Source: Grand View Research, CareEdge Research

Chart 43: Domestic market size and forecast of 2-Amino-4-phenylbutane



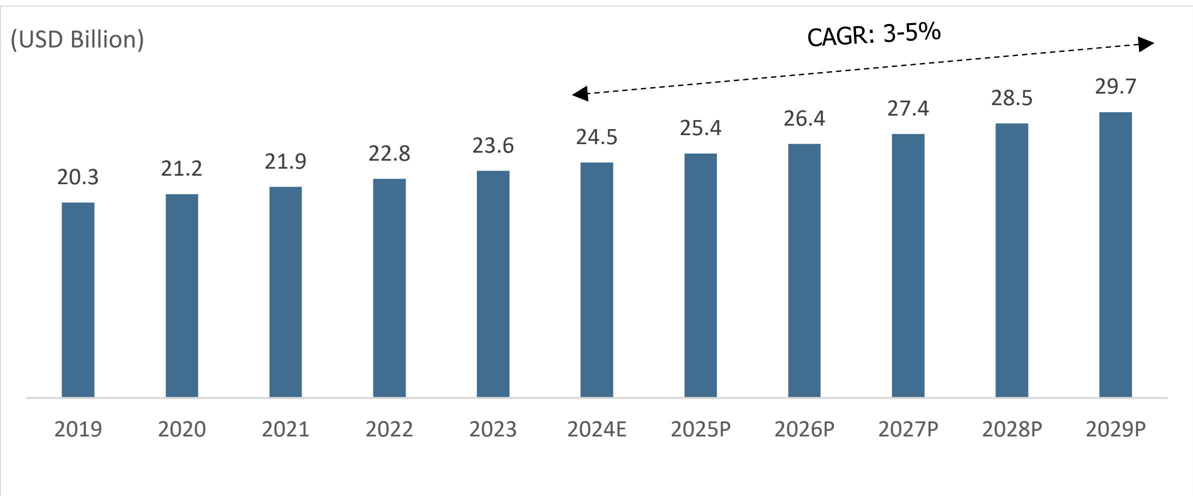
Source: Grand View Research, CareEdge Research

Intermediate value chain



Additionally, this intermediate is used in synthesizing other compounds, including N-substituted derivatives of (1-methyl-3-phenylpropyl) amine. Overall, there is a growing need for this compound in response to the rise in cardiovascular health issues. With the growing prevalence of cardiovascular diseases, the global Anti-Hypertensive therapeutic category is expected to be supported with a CAGR of 3-5% from CY24 to CY29.

Chart 44: Global market size for Anti-Hypertensive Drugs

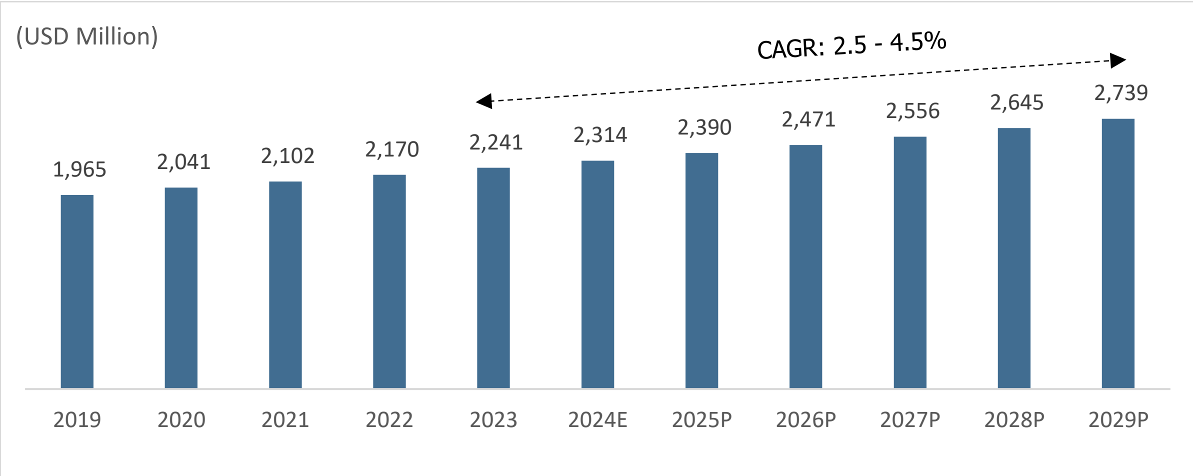


Source: Grand View Research, CareEdge Research

4. 2-(1-Piperazinyl) pyrimidine

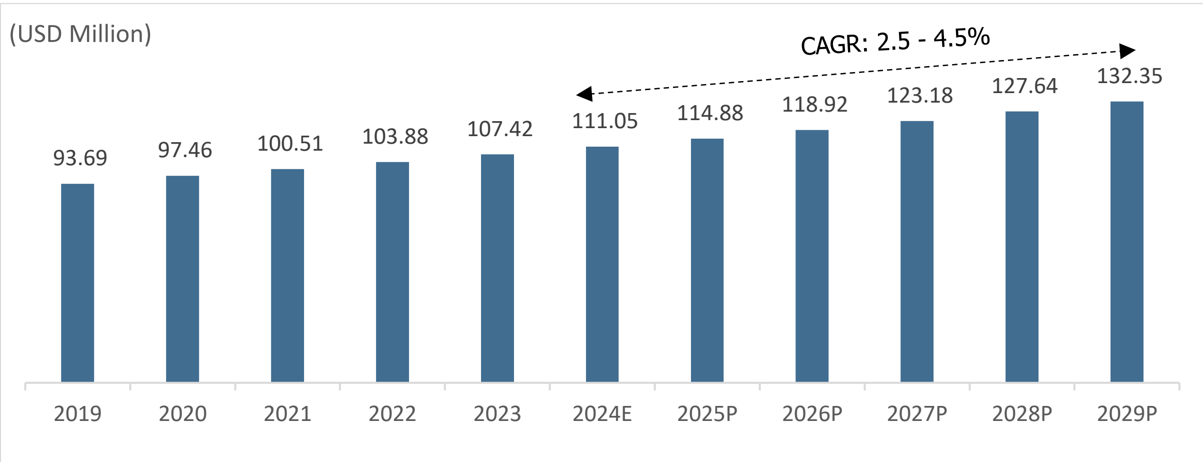
2-(1-Piperazinyl) pyrimidine serves as an important intermediate in the synthesis of two notable active pharmaceutical ingredients (APIs): Buspirone and Piribedil. Buspirone is recognized for its role as an anxiolytic medication, effectively addressing anxiety disorders by selectively engaging serotonin receptors. This offers patients relief while minimizing the sedative effects often associated with benzodiazepines. Additionally, Piribedil acts as a dopamine agonist, supporting the management of symptoms associated with Parkinson's disease. The market is expected to be supported by these factors contributing to global and domestic growth with a CAGR of 2.5-4.5% from CY24 to CY29.

Chart 45: Global market size and forecast of 2-(1-Piperazinyl) pyrimidine



Source: Grand View Research, CareEdge Research

Chart 46: Domestic market size and forecast of 2-(1-Piperazinyl) pyrimidine

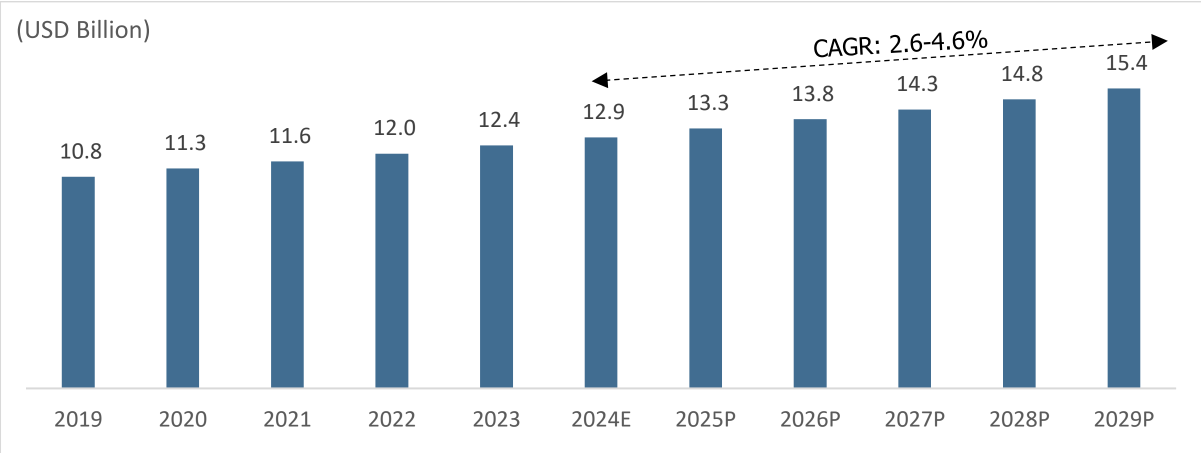


Source: Grand View Research, CareEdge Research

Intermediate value chain

The rising prevalence of anxiety disorders and Parkinson's disease globally is expected to drive the global market for therapeutic category at a CAGR of 2.6-4.6% from CY24 to CY29.

Chart 47: Global market size for Anxiety & Depression Drugs



Source: Grand View Research, CareEdge Research

7.5. High entry barriers in Indian API Intermediates industry

1. Stringent Regulatory Approvals

API intermediates must comply with multiple regulatory requirements based on their end-use in pharmaceuticals. Some key regulatory bodies include:

- **Central Drugs Standard Control Organization (CDSCO)** – Regulates drug manufacturing and quality in India.
- **US FDA, European Medicines Agency (EMA), and PMDA (Japan)** – Required for exporting to regulated markets.
- **WHO-GMP and ICH Guidelines** – Compliance with Good Manufacturing Practices (GMP) and quality standards for intermediates used in global pharmaceutical formulations.

Approval processes for API intermediates are lengthy and require documentation such as Drug Master Files (DMFs) and Certificates of Suitability (CEP), creating a major entry barrier for new players.

2. High Capital Investment in Manufacturing Facilities

- The companies are required to set up a cGMP-compliant API intermediates plant based on the product complexity.

- Advanced facilities need high-purity reactors, distillation columns, and controlled environments to prevent contamination.

- Infrastructure for solvent recovery and effluent treatment is mandatory due to environmental regulations.

3. Stringent Quality and Process Validation Requirements

- API intermediates must maintain high purity levels (often >99%) as any impurity can impact the final drug formulation.

- Compliance with ICH Q7 guidelines (Good Manufacturing Practice for APIs) is mandatory for exports.

- Quality control processes, such as HPLC, GC-MS, and stability studies, are required.

- Any deviation in quality can lead to product rejections and bans by regulatory authorities.

Failures in maintaining consistent quality have resulted in import bans on several Indian API facilities by US FDA and EMA in the past.

4. Dependence on Imported Raw Materials and Supply Chain Risks

- China supplies 60–70% of key raw materials (KSMs) and intermediates used in API production in India.

- Price fluctuations and trade restrictions on Chinese imports create uncertainties for manufacturers.

- Government initiatives like the Production-Linked Incentive (PLI) scheme aim to reduce dependence, but setting up new KSM manufacturing units takes years.

5. Environmental and Compliance Challenges

- API intermediate production generates hazardous waste and effluents, requiring strict environmental controls.

- Compliance with India's Pollution Control Board (PCB) norms and international environmental regulations is mandatory.

- Several API plants have faced temporary shutdowns due to non-compliance with effluent discharge norms.

- Setting up zero-liquid discharge (ZLD) systems and effluent treatment plants (ETPs) adds to operational costs for new entrants.

6. Price Pressure and Competition from China

- Chinese manufacturers offer API intermediates at lower prices, making it difficult for Indian firms to compete, especially in unregulated markets.

- Price volatility in raw materials affects profit margins, especially for new entrants without economies of scale.

8. Specialty Chemicals and Custom Synthesis

8.1. Specialty Chemicals

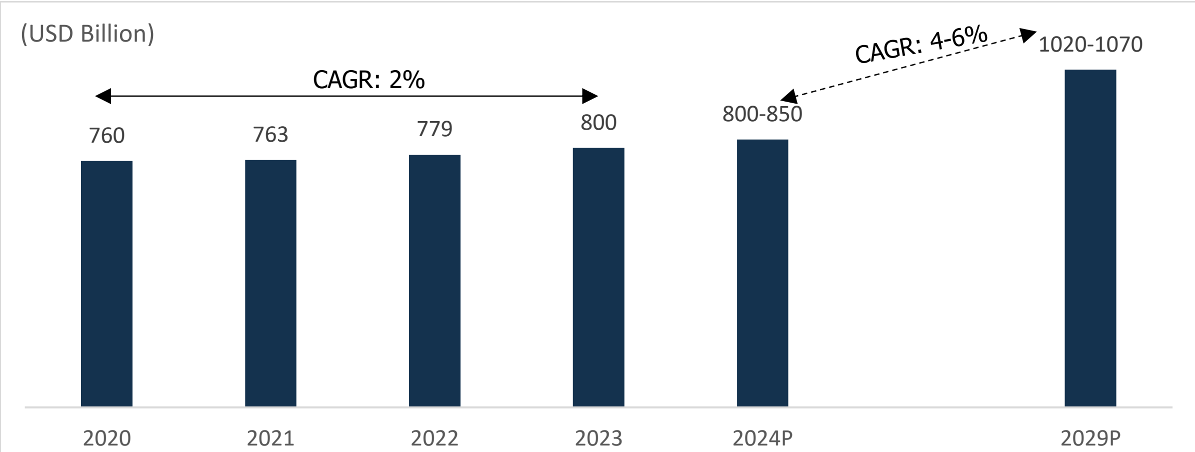
8.1.1. Overview and Global Market size

Specialty chemicals, also known as performance chemicals, are specifically formulated substances designed for functions and applications. Unlike commodity chemicals, which are mass-produced, specialty chemicals are manufactured in smaller quantities, with a strong emphasis on quality, performance, and customization to meet the unique demands of various industries. The quality of these chemicals is crucial, as it directly impacts on the performance and safety of the end products.

In the pharmaceutical industry, specialty chemicals, such as catalysts, play a vital role in commercial processes like the synthesis of paracetamol, vitamin K, and erythromycin. Advanced catalysts, including Nano catalysts, are being developed to make drug production more environmentally friendly and efficient, addressing the increasing concerns about climate change. Research in this area is advancing rapidly, particularly with Nano-asymmetric catalysts, which simplify drug development by requiring only a single step. Additionally, ongoing research on catalysts helps professionals optimize their application, tailoring them to specific industrial requirements for more efficient processes.

The global specialty chemicals were estimated to have been valued at $800 billion in CY23. The continued growth support from the downstream industries is expected to support the growth trajectory for the global market. Furthermore, the specialty market is expected to grow at a CAGR of 4-6%, reaching $1020-1070 billion until CY29.

Chart 48: Global market size for Specialty Chemicals



Source: Arizton Advisory, Global Specialty Chemicals Market Analysis Report from EMIS Professional Database, CareEdge Research; P: Projected

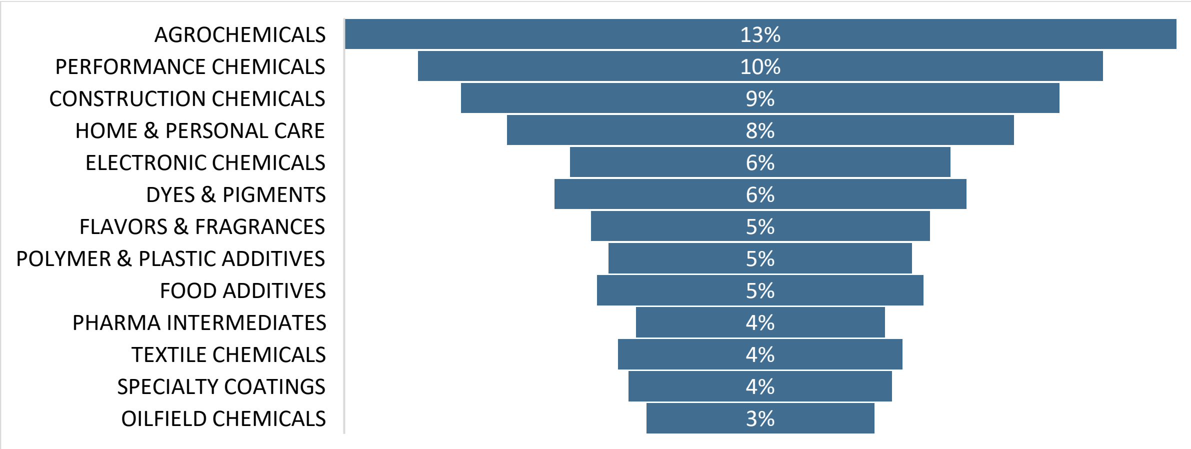
8.1.2. Functions of Specialty Chemicals

Specialty chemicals serve diverse functions across industries, enhancing product performance and enabling specific applications. They improve adhesion in coatings, adhesives, and sealants, while acting as catalysts to accelerate chemical reactions in industrial processes. These chemicals stabilize products by preventing degradation through antioxidants and UV stabilizers and offer protection against microbial growth, corrosion, and fire hazards. They also enhance performance in formulations, such as lubricants and surfactants, and modify material properties like flexibility or strength in plastics and rubbers. Specialty chemicals add special effects, such as colors and textures, in paints, cosmetics, and textiles. Additionally, they play a vital role in water treatment by purifying and conditioning water, support agriculture through crop protection products like pesticides and fertilizers, and act as active ingredients in personal care products, including emulsifiers and fragrances.

8.1.3. Key applications in the specialty chemicals industry

The specialty chemicals industry is characterized by diverse applications across various sectors, each contributing uniquely to market dynamics. Key applications include pharmaceuticals, agriculture, food and beverage, personal care, and automotive industries. The market share for these applications reflects the evolving needs for advanced materials and sustainable solutions. Factors such as increased consumer awareness, stringent regulations, and technological innovations drive growth in specific segments, highlighting the importance of adaptability and innovation in the specialty chemicals market. The below-listed market share caters to more than 80% of the specialty chemicals industry and has been the major driving factor for the industry.

Chart 49: Global market share of key applications (value terms)



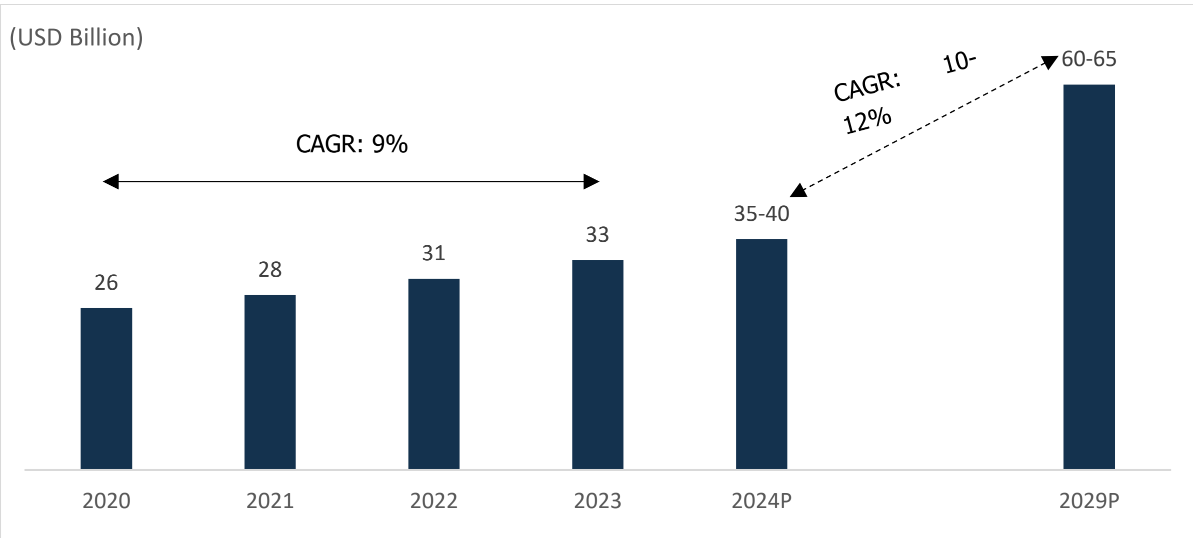
Source: Arizton Advisory, Global Specialty Chemicals Market Analysis Report from EMIS Professional Database, CareEdge Research; Data as of CY2023, remaining of the share includes others

8.1.4. Domestic Overview

India's specialty chemicals industry has experienced significant growth in recent years, contributing 22% to the country's overall chemicals and petrochemicals market, and is currently valued at $32 billion. This market is projected to double to $64 billion by 2025, growing at a CAGR of 12.4%.

The specialty chemicals segment stands out as one of the fastest-growing areas in Indian manufacturing, driven by rising demand from various end-user sectors, supportive government policies, an expanding domestic customer base, and shifts in consumer lifestyles. It also plays a crucial role in exports, accounting for over 50% of the chemical exports. Key sub-segments, including dyes, pigments, and pharmaceutical active pharmaceutical ingredients (APIs), continue to lead in driving export growth. Previously, a decade ago lack of domestic production coupled with supply chain disruptions and regulatory restrictions such as anti-dumping duties in China had restricted its availability in the Indian market. However, rising domestic capabilities has now led to improvement in the availability of these chemicals in the domestic market.

Chart 50: Domestic market size for Specialty Chemicals



Source: Arizton Advisory, Global Specialty Chemicals Market Analysis Report from EMIS Professional Database, CareEdge Research; P: Projected

8.1.5. High entry barriers in Indian specialty chemicals industry

- **Complex manufacturing process**

The production of specialty chemicals involves intricate chemical synthesis, purification, and formulation techniques. Additionally, high R&D costs for developing new products and maintaining compliance with evolving regulations make it difficult for new entrants. Indian specialty chemical manufacturers that invest heavily in R&D, such as Aarti Industries and PI Industries, have an edge over smaller players.

- **Stringent vendor approval process**

Many specialty chemicals are used in regulated industries such as pharmaceuticals, agrochemicals, and electronics. The approval process for suppliers is stringent and can take months to years, depending on the industry and regulatory requirements. For instance, securing a vendor position with global pharmaceutical companies requires compliance with Good Manufacturing Practices (GMP) and regulatory approvals from agencies like the US FDA, making it difficult for new entrants.

- **Supplier customer relationship**

Long-term contracts and established relationships are common in this industry, as customers prefer reliable and consistent suppliers. The switching cost for customers is high due to the need for product validation and regulatory approvals. Established players like SRF and Navin Fluorine benefit from these strong relationships.

- **Stringent quality requirement**

Specialty chemicals must meet high standards of purity, performance, and environmental safety. Compliance with regulations such as India's EIA (Environmental Impact Assessment), REACH (for exports to Europe), and US EPA standards further increases entry barriers. Any new entrant must set up advanced testing and quality control systems, adding to the initial investment burden.

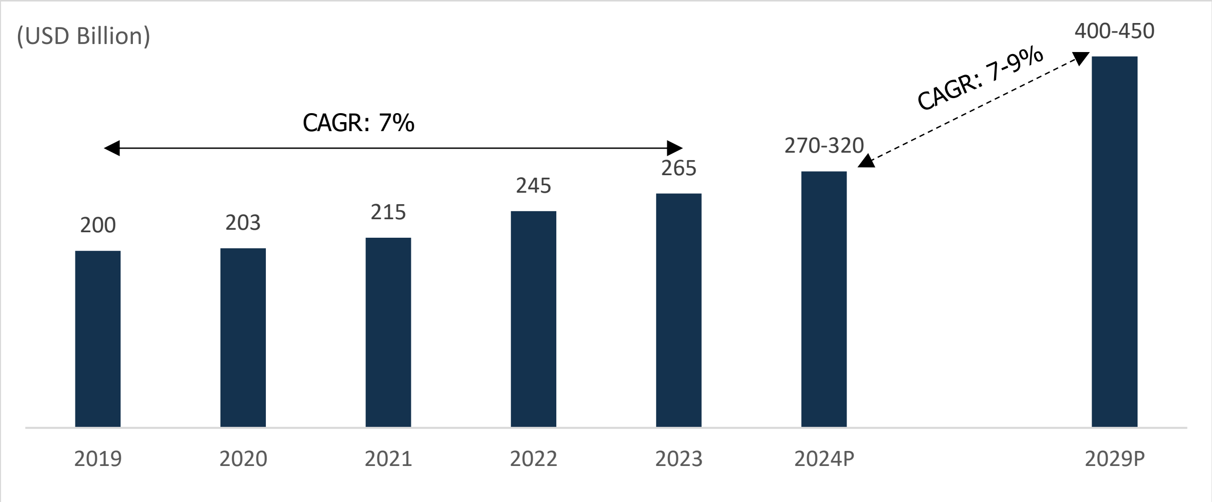
8.2. Custom Synthesis Manufacturing (CSM)

8.2.1. Global Overview

The global custom synthesis market is witnessing substantial growth, primarily driven by the rising demand for custom-synthesized chemicals and API intermediates. Custom synthesis refers to the process of designing and manufacturing molecules tailored to specific customer requirements, which includes developing new compounds, modifying existing ones, and scaling up production. The pharmaceutical and biotechnology sectors are the largest end-users of these services, significantly influencing market dynamics.

Key factors contributing to the market's growth include the increasing prevalence of chronic diseases, which amplifies the need for innovative and personalized medicines, and the ongoing expansion of the pharmaceutical and biotech industries. As these sectors grow, the demand for custom synthesis services is expected to rise accordingly. Moreover, many pharmaceutical companies are opting to outsource their research and development activities to contract research organizations (CROs), further propelling the need for custom synthesis.

Chart 51: Global market size for Custom Synthesis Manufacturing market



Source: CareEdge Research & Estimates; P: Projected

8.2.2. Indian Overview

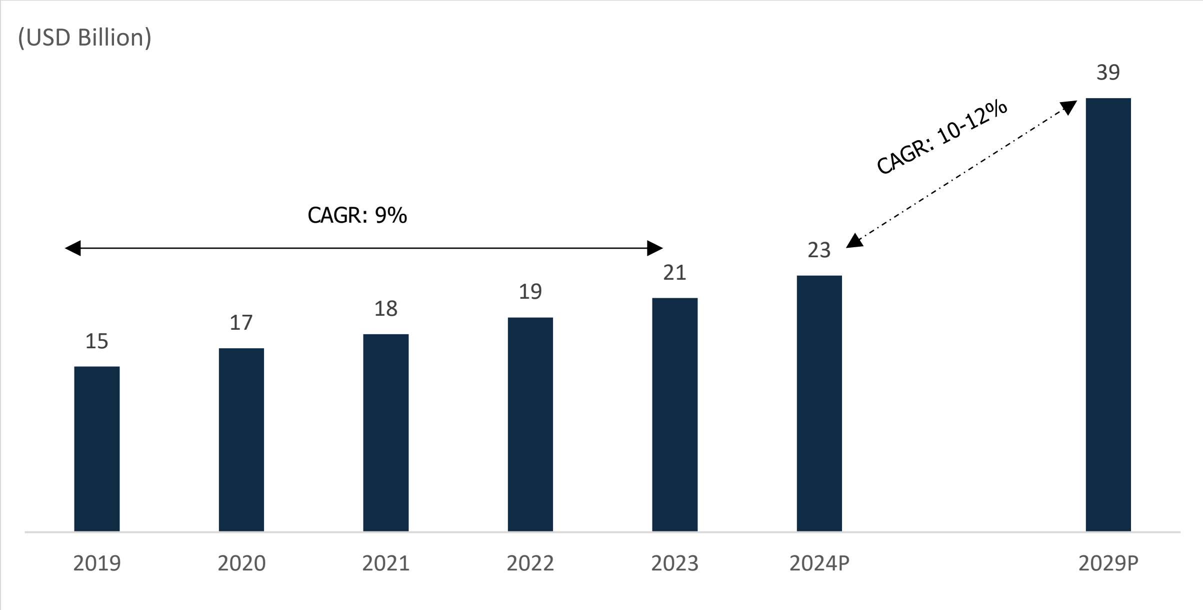
The Custom Synthesis Manufacturing (CSM) market in India has witnessed significant growth, driven by its skilled workforce, cost-effective services, and strong chemistry capabilities. India's robust scientific talent and research institutions have positioned it as a hub for innovation, attracting multinational pharmaceutical companies seeking to expedite product pipelines and optimize costs.

The favorable regulatory environment, with stringent quality standards and intellectual property protection, has bolstered international confidence in Indian CSM providers. Rising outsourcing trends in drug discovery, development, and manufacturing further fuel market demand as pharmaceutical companies focus on core competencies.

The COVID-19 pandemic highlighted the resilience of India's CSM market, with companies adapting swiftly to support vaccine and therapeutic production. This agility reinforced India's reputation as a reliable partner in the global pharmaceutical ecosystem.

Looking ahead, growing complexities in drug development and increased R&D investments are expected to drive sustained growth in India's CSM market, aligning with the evolving needs of global pharmaceutical and biotechnology sectors.

Chart 52: Domestic market size for Custom Synthesis Manufacturing (CSM) market

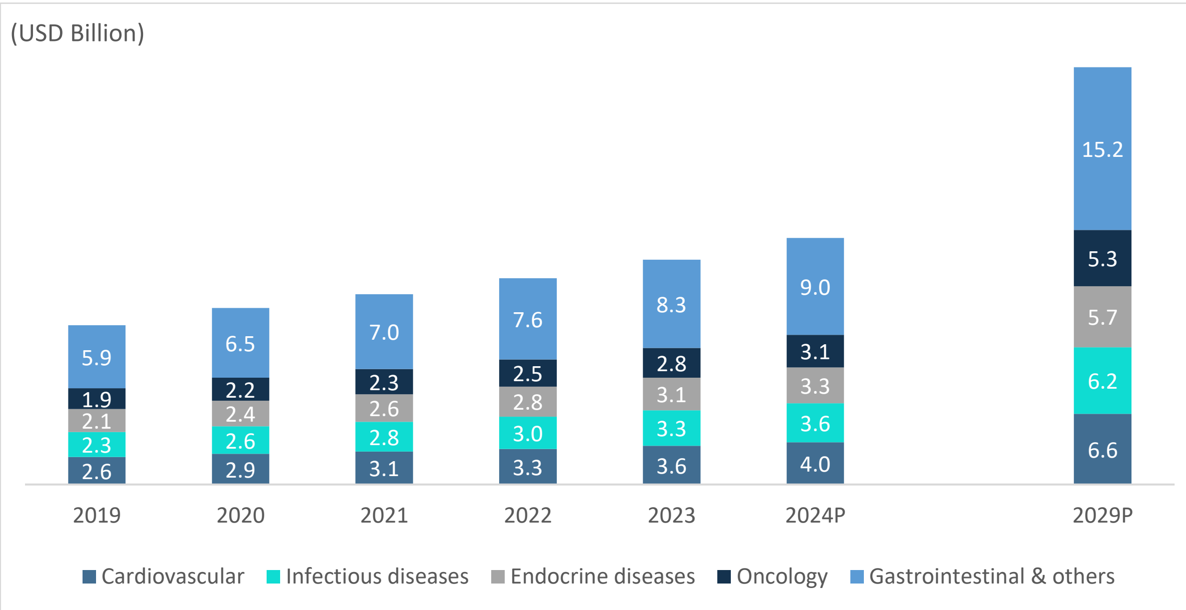


Source: Technavio Research, CSM Market Report from EMIS Professional Database, CareEdge Research; P: Projected

Custom Synthesis Manufacturing (CSM) market by Therapeutic categories

There is a consistent upward trend across key therapeutic segments in the healthcare industry from 2019 to 2029, reflecting growing global healthcare needs and advancements in medical treatments.

Chart 53: Domestic market size by Therapeutic segment



Source: Technavio Research, Global CSM Market Report from EMIS Professional Database, CareEdge Research; P: Projected

In the cardiovascular segment, the market size is expected to rise from $2.6 billion in 2019 to $6.6 billion in 2029. This growth is driven by an increasing prevalence of cardiovascular diseases, linked to ageing populations and lifestyle factors like poor diet and physical inactivity. The demand for treatments for heart-related ailments is set to expand as healthcare systems focus on managing chronic conditions.

Similarly, the market for infectious diseases is projected to increase from $2.3 billion to $6.2 billion over the same period. The heightened awareness and demand for antiviral and antibiotic drugs, especially after the COVID-19 pandemic, is a significant contributor to this growth. Vaccination programs and the ongoing battle against emerging infectious threats further drive the need for innovation in this sector.

The endocrine diseases segment, which includes conditions like diabetes, is set to grow from $2.1 billion in 2019 to $5.7 billion by 2029. With the rise of metabolic disorders, largely driven by lifestyle changes and the growing global burden of obesity and diabetes, this sector is expected to see substantial growth.

In the oncology segment, the market is projected to rise from $1.9 billion in 2019 to $5.3 billion by 2029. Innovations in cancer therapies, including targeted treatments and immunotherapies, are expected to push growth in this field, as cancer continues to be one of the leading causes of death globally.

Lastly, the gastrointestinal and other disorders segment, which was valued at $5.9 billion in 2019, is expected to see a substantial rise, reaching $15.2 billion by 2029. This reflects a growing demand for treatments addressing a wide array of digestive and related diseases, fueled by changes in diet, lifestyle, and environmental factors.

Overall, the total market across these therapeutic areas is expected to grow from $15 billion in 2019 to $39 billion by 2029, indicating a strong and sustained expansion driven by technological advancements, increasing disease prevalence, and healthcare innovations across the globe.

9. Regulatory Framework

9.1. API & Intermediates

Central Drugs Standard Control Organization (CDSCO)

CDSCO under Directorate General of Health Services, Ministry of Health & Family Welfare, Government of India is the National Regulatory Authority (NRA) of India. The headquarters are located in New Delhi and it also has six zonal offices, four sub zonal offices, thirteen Port offices and seven laboratories spread across the country. The Drugs & Cosmetics Act,1940 and rules 1945 have entrusted various responsibilities to central & state regulators for regulation of drugs & cosmetics. It envisages uniform implementation of the provisions of the Act & Rules made there under for ensuring the safety, rights and well-being of the patients by regulating the drugs and cosmetics. CDSCO is constantly thriving upon bringing out transparency, accountability and uniformity in its services in order to ensure safety, efficacy and quality of the medical product manufactured, imported and distributed in the country.

Under the Drugs and Cosmetics Act, CDSCO is responsible for approval of drugs, conduct of clinical trials, laying down the standards for drugs, control over the quality of imported drugs in the country. Also, it is responsible for co-ordination of the activities of State Drug Control Organizations by providing expert advice with a view of bring about uniformity in the enforcement of the Drugs and Cosmetics Act. Further CDSCO along with state regulators, is jointly responsible for grant of licenses of certain specialized categories of critical drugs such as blood and blood products, I. V. Fluids, Vaccine and Sera.

National Pharmaceutical Pricing Authority (NPPA)

NPPA is an organization of the Government of India, which was established, inter alia, to fix/revise the prices of controlled bulk drugs[5] and formulations and to enforce prices and availability of the medicines in the country, under the Drugs (Prices Control) Order, 1995. The organization is also entrusted with the task of recovering

Controlled bulk drugs are active pharmaceutical ingredients (APIs) regulated for their pricing, availability, or potential misuse, such as Paracetamol, Morphine, and Codeine.

amounts overcharged by manufacturers for the controlled drugs from the consumers. It also monitors the prices of decontrolled drugs to keep them at reasonable levels.

Functions of NPPA

- To implement and enforce the provisions of the Drugs (Prices Control) Order in accordance with the powers delegated to it.
- To deal with all legal matters arising out of the decisions of the authority.
- To monitor the availability of drugs, identify shortages, if any, and to take remedial steps.
- To collect/ maintain data on production, exports and imports, market share of individual companies, profitability of companies etc., for bulk drugs and formulations.
- To undertake and/ or sponsor relevant studies in respect of pricing of drugs/ pharmaceuticals.
- To recruit/ appoint the officers and other staff members of the authority, as per rules and procedures laid down by the government.
- To render advice to the central government on changes/ revisions in the drug policy.
- To render assistance to the central government in parliamentary matters relating to the drug pricing.

10. Threats and Challenges

10.1. API & Intermediates Industry

The API & Intermediates industry faces several threats and challenges:

Chart 54: Threats and Challenges for API & Intermediates Industry

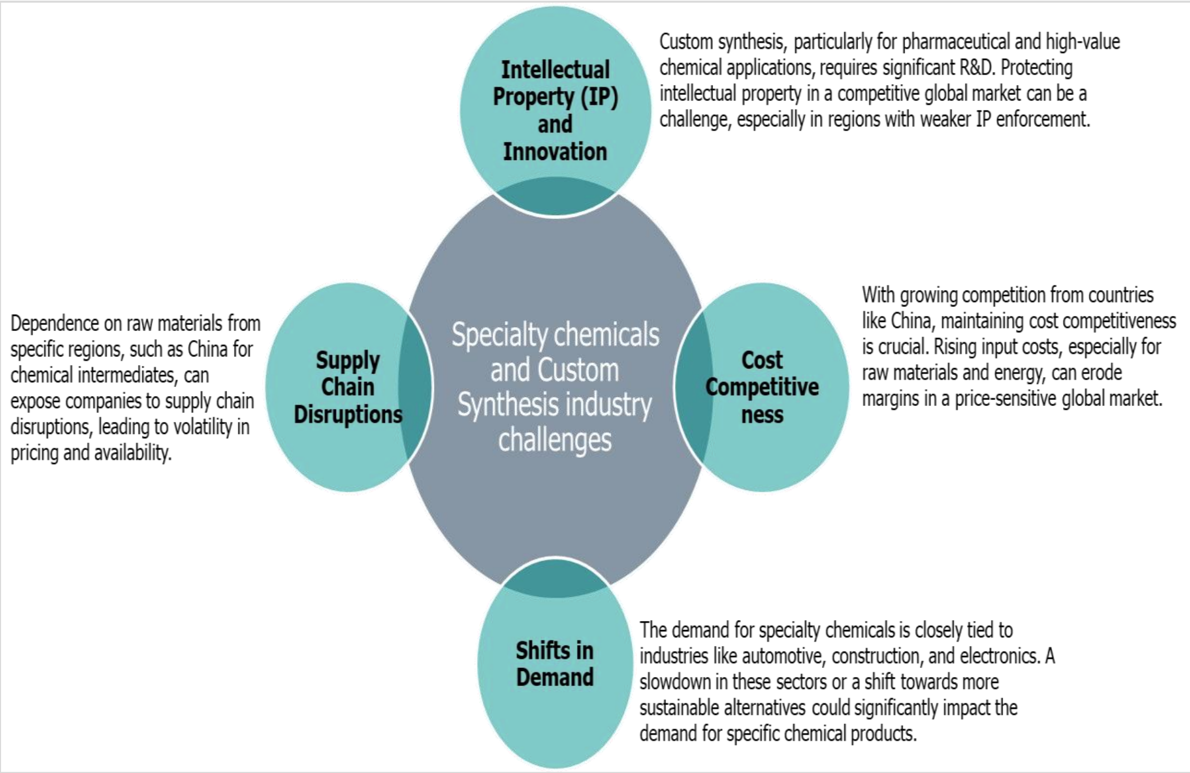
Dependence on Imports	A significant reliance on imports, particularly from China, for key starting materials (KSMs) and intermediates poses supply chain risks, especially in times of geopolitical tensions or disruptions.
Price Volatility	Fluctuations in raw material prices and API costs, driven by global market conditions and currency exchange rates, affect profitability.
Regulatory Hurdles	Complying with stringent international regulatory standards, such as those from the U.S. FDA and European agencies, can be challenging for manufacturers, especially smaller players, leading to delays or rejections.
Environmental Regulations	Increasing environmental regulations and pollution control mandates can raise operating costs and create compliance challenges, especially for older manufacturing facilities.
Competition	Intense competition, particularly from low-cost producers in China and other emerging markets, puts pressure on pricing and margins.
High Entry Barrier	API Intermediates manufacture products are subjected to exacting high-quality standards and stringent compliance in terms of obtaining licenses and filing forms under Drug Master File (DMF).

Source: CareEdge Research

10.2. Specialty Chemicals and Custom Synthesis

The specialty chemicals and custom synthesis industry faces several threats and challenges:

Chart 55: Threats and Challenges for specialty chemicals and custom synthesis industry



Source: CareEdge Research

11. Competitive Landscape

1. Allchem Lifesciences Limited

Overview:

Allchem Lifescience Ltd is an Indian manufacturer specializing in Active Pharmaceutical Ingredients (API) intermediates (Generic API, Advanced intermediates and Key Starting Materials), Specialty chemicals, Custom synthesis & Contract Manufacturing (CDMO) aiming to cater various industries like Pharmaceuticals, Specialty chemicals, Electrochemical, Agrochemicals & Biotechnology. The company is involved in manufacturing of Aliphatic & Aromatic Piperazine Derivatives, Cyclopropane/Cyclobutane Derivatives, Cyclopentane/Cyclohexane Derivatives, Aliphatic/Aliphatic aryl/Aryl amine Derivatives, Aldehyde & Ketone Derivatives, Nitrile Derivatives, Carboxylic acid and their derivatives, Heterocyclic compound/Alcohol/Ether Speciality chemicals, Halide/Acid Chloride Derivatives Alcohol/Ether Speciality chemicals etc.

The company operates at a production facility spanning 65304 Sq. Meter in Vadodara, Gujarat, India and has been steadily expanding its capabilities. It has a global presence and serves clients in diverse therapeutic categories, including Antihypertensive, Antidepressant, Antipsychotic, Antihistaminic, Anticonvulsant, Anti ulcerative, Antineoplastic, Antiparkinsonian, Antiarrhythmic, Anticoagulant, Antipsychotic, Antiemetic, Anesthetic, Cardiotonic, Antihistaminic, Anxiolytic, Antiallergic & Vasodilator.
The company is one of the key players in manufacturing piperazine derivatives in India based on its wide piperazine derivative offerings, which account for more than 40% of its total revenue as of FY24. Piperazine derivatives are critical raw materials for producing APIs like Quetiapine, Buspirone, Labetalol.

The company has obtained environmental clearance for 263 products and holds legal production permission for up to 180 MT per month. It has a reaction volume of 1,134 KL as of December 2024. Further, the company has a hydrogenation capacity of 60 KL, making it one of the largest in India. The infrastructure includes seven production blocks, a high vacuum distillation block with 40 distillation reactors, a pilot plant, a research and development block, and three utility blocks. It also operates an effluent treatment plant with zero liquid discharge. Allchem is certified under ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018, along with third-party GMP certification. Its production facilities were audited by the US FDA in May 2024.

The varied product portfolio is manufactured using different processes such as Dieckmann Cyclization, hydrogenation, and high vacuum distillation, enabling the production of complex compounds. The Company's manufacturing Facility also houses a pilot plant where they test and refine production processes on a small scale to better understand the chemistries. The pilot plant also enables company to test the efficacy of the chemistries wherein company seeking to develop in small batches. This ensures that chemistries and the efficacy is established before the company scales up production which also helps in optimising costs.

Since Allchem's products are used in the pharmaceutical industry, customers regularly inspect and audit the manufacturing facilities to ensure compliance with their internal approval standards. These inspections provide valuable feedback on industry expectations and evolving global best practices, helping to strengthen processes and systems.

The supply chain in this industry operates with high entry barriers, stringent quality standards, and strict compliance requirements, including licensing and Drug Master File (DMF) filings. Additionally, the end-use of various products is formally recognized in regulatory filings. To qualify as an 'approved supplier, the company undergoes rigorous customer audits and, in some cases, compliance reviews by international regulatory bodies like the USFDA after product sampling. These factors create significant entry barriers for new competitors offering similar products.

Representative Product Portfolio:

Intermediate	API	Therapeutic Category
1-[2-(2-Hydroxyethoxy) ethyl] Piperazine	Quetiapine / Etodroxizine / Dixyrazin / Hydroxyzine	CNS - Psychiatry
Dibenzo[b,f][1,4]thiazepin 11 (10 H)-one	Quetiapine / Etodroxizine / Dixyrazin / Hydroxyzine	CNS - Psychiatry
2-Amino-4-phenylbutane	Labetalol / Buphenine	Cardiovascular Drugs
2-(1-Piperazinyl) pyrimidine	Buspirone / Binospirone / Itriglumide Piribedil /Tandospirone	Gastrointestinal / CNS-Psychiatry / CNS- Neurology
3,3-Tetramethyleneglutarimide	Buspirone / Binospirone / Itriglumide Piribedil /Tandospirone	Gastrointestinal / Oncology / CNS-Psychiatry
N, N-Diethyl ethylenediamine	Metoclopramide/Sunitinib/Tiapride	Gastrointestinal / Oncology / CNS-Psychiatry

Source: Company disclosures, CareEdge Research

Representative Specialty Chemicals Product portfolio

Specialty Chemical	Common Uses/Industries
N, N-Dimethylethylenediamine	Used in pharmaceuticals as a reagent; in agrochemicals and polymer industries.
N-Benzyl aniline	Used in dye manufacturing and as a chemical intermediate in pharmaceuticals.
1-Methyl-4-piperidone	Utilized in the synthesis of pharmaceuticals and agrochemicals.
4-Methoxybenzylamine	Applied in pharmaceutical synthesis and in the production of various organic chemicals.
1-Hydroxyethyl piperazine	Used in pharmaceuticals, particularly in the synthesis of piperazine-based drugs and as a chelating agent in industrial applications.
2-Chlorobenzimidazole	Employed in the synthesis of pharmaceuticals, particularly as an intermediate in th production of benzimidazole derivatives used in antifungal and anti-inflammatory drugs.

Source: Company disclosures, CareEdge Research

Financial Performance

Allchem Lifescience Ltd.[6]				
Financial indicators	**FY22**	**FY23**	**FY24**	**H1 FY25**
Net Sales (Rs. Million)	1097.8	1090.7	1,326.9	784.5
Operating profit (EBITDA) (Rs. Million)	250.3	319.2	490.1	321.6
Operating margin (in %)	22.80%	29.26%	36.94%	40.99%
Net profit (Rs. Million)	151.4	203.4	210.3	108.9
Net profit margin (in %)	13.79%	18.65%	15.85%	13.88%
Total debt (Rs. Million)	495.3	971.7	1049.7	1069.0
Debt -to- Equity[7]	1.43	1.62	1.30	1.18
Return on Capital Employed (ROCE) (in %)[8]	31.30%	21.26%	20.90%	12.02%
Interest coverage (in times)[9]	9.20	20.30	5.90	4.32
Return on Equity (ROE) (in %)[10]	43.80%	33.91%	25.96%	12.00%
Asset Turnover Ratio (in times)[11]	0.88	0.58	0.60	0.32

Source: Company disclosures, CareEdge Research

2. Ami Organics Limited

Overview: Ami Organics is a leading manufacturer of specialty chemicals and pharmaceutical intermediates based in Surat, Gujarat. Established in 2004, it primarily focuses on the development of advanced pharmaceutical intermediates and specialty chemicals.

Representative Product Portfolio:

Molecule	Disease/Condition	Broader Category
1-(4-iodo-phenyl)-piperidin-2-one	Loperamide, Fentanyl	CNS Drugs (Analgesics, Antidiarrheals)
3-nitro phthalic acid	Alprostadil	Cardiovascular Drugs (Vasodilators)
N,n-diisopropylethylene diamine	Dipyridamole	Cardiovascular Drugs (Antiplatelets)
1-(2,3-Dichloro Phenyl) Piperazine hcl	Trazodone, Buspirone	CNS Drugs (Psychiatry - Antidepressants, Anxiolytics)
2-(bromomethyl)benzonitrile	Benznidazole	Anti-Infective Drugs (Antiparasitics)

Financial Performance

Ami Organics Ltd.				
Financial indicators	**FY22**	**FY23**	**FY24**	**H1 FY25**
Net Sales (Rs. Million)	5201.4	6167.3	7,174.75	2467.34
Operating profit (EBITDA) (Rs. Million)	1051.8	1226.1	1284.89	489.32
Operating margin (in %)	20.22%	19.88%	17.91%	19.83%
Net profit (Rs. Million)	719.5	832.9	487.08	375.67
Net profit margin (in %)	13.83%	13.50%	6.79%	15.23%

6 Calculations done based on audited financials
7 Debt to Equity: Total Debt / Total Equity
8 Return on Capital Employed (ROCE): EBIT / (Total Assets – Current Liabilities)
9 Interest coverage ratio: EBIT / Finance Costs
10 Return on Equity: PAT / Shareholder’s Equity [Total Equity excluding minority interest]
11 Asset Turnover Ratio: revenue from operations / Total Assets

Total debt (Rs. Million)	8.40	36.00	2166.46	61.68
Debt -to- Equity	0.00	0.01	0.30	0.01
Return on Capital Employed (ROCE) (in %)	18.48%	18.97%	10.83%	4.11%
Interest coverage (in times)	15.30	47.50	14.80	100.54
Return on Equity (ROE) (in %)	13.78%	14.02%	7.13%	3.10%
Asset Turnover Ratio (in times)	0.79	0.80	0.65	0.17

Source: Company disclosures, CareEdge Research

3. Aether Industries Ltd.

Overview: Aether Industries Ltd. was established in 2013 in Surat, India. Ather Industries is a leading Indian manufacturer in the specialty chemicals sector. The company focuses on manufacturing advanced intermediates used in industries such as pharmaceuticals, agrochemicals, and coatings as well as a provider of Contract Research and Manufacturing Services (CRAMS).

Representative Product Portfolio:

Intermediate	API	Broader Category
4-Phenoxy-2,6-Diisopropyl Phenyl Isothiocyanate	Imidazoline-based drugs	Cardiovascular Drugs (Antihypertensives)
Tert-Butyl Chloroacetate	Ciprofloxacin	Anti-Infective Drugs (Antibiotics)
2-Chloro-1,4-Naphthoquinone	Menadione	Nutritional Supplements (Vitamins)
4-Tert-Butoxystyrene	Tamoxifen	Oncology Drugs (Anticancer)

Financial Performance

Aether Industries Ltd.				
Financial indicators	**FY22**	**FY23**	**FY24**	**H1 FY25**
Net Sales (Rs. Million)	5900.5	6510.7	5981.7	1987.97
Operating profit (EBITDA) (Rs. Million)	1681.1	1862.5	1322.5	536.33
Operating margin (in %)	28.49%	28.61%	22.11%	26.98%
Net profit (Rs. Million)	1089.3	1304.2	824.9	347.99
Net profit margin (in %)	18.46%	20.03%	13.79%	17.50%
Total debt (Rs. Million)	2850.8	1.1	1686.2	2022.06
Debt -to- Equity	0.74	0	0.08	0.09
Return on Capital Employed (ROCE) (in %)	30.25%	13.96%	5.59%	1.40%
Interest coverage (in times)	12.2	35.3	13.9	15.59
Return on Equity (ROE) (in %)	28.16%	10.48%	4%	1.63%
Asset Turnover Ratio (in times)	0.77	0.47	0.25	0.08

Source: Company disclosures, CareEdge Research

4. Shree Ganesh Remedies Limited

Overview: Shree Ganesh Remedies is a Gujarat-based company, part of the Ganesh Group of Industries. It specializes in manufacturing pharmaceutical intermediates, fine chemicals, and specialty chemicals. It also has its foray in custom synthesis

Representative Product Portfolio:

Intermediate	API	Therapeutic Segment
Cyclopropylmethanol	Efavirenz	Anti-retroviral
(3,4-Diaminophenyl) (4-fluorophenyl) methanone	Gefitinib	Anti-cancer
(4-Chloro-3-nitrophenyl) (4-fluorophenyl) methanone	Erlotinib	Anti-cancer
N-acylpiperazines /Monofluoro benzenes / Phthalazine	Olaparib	Anti-cancer

Financial Performance

Shree Ganesh Remedies Ltd.				
Financial indicators	**FY22**	**FY23**	**FY24**	**H1 FY25**
Net Sales (Rs. Million)	712.9	902.20	1,259.0	323.32
Operating profit (EBITDA) (Rs. Million)	179.2	232.60	418.10	113.10
Operating margin (in %)	25.14%	25.78%	33.21%	34.98%
Net profit (Rs. Million)	134.0	170.20	281.08	64.16
Net profit margin (in %)	18.80%	18.87%	22.33%	19.84%
Total debt (Rs. Million)	0.00	335.07	363.11	336.96
Debt -to- Equity	0.00	0.38	0.30	0.25
Return on Capital Employed (ROCE) (in %)	29.29%	18.90%	25.46%	5.64%
Interest coverage (in times)	124.49	196.03	63.85	21.19
Return on Equity (ROE) (in %)	21.76%	19.14%	23.02%	4.82%
Asset Turnover Ratio (in times)	0.93	0.63	0.74	0.18

Source: Company disclosures, CareEdge Research

5. Concord Biotech Limited

Concord Biotech is an India-based biopharmaceutical company specializing in the development and manufacturing of fermentation-based APIs and formulations. The company supplies immunosuppressants, oncology, and anti-infective products to global markets. It operates manufacturing facilities compliant with international regulatory standards, including USFDA and EU-GMP. Concord Biotech serves both domestic and international pharmaceutical companies through contract manufacturing and direct sales.

Representative Product Portfolio:

API	Therapeutic Segment
Mycophenolate Mofetil	Immunosuppressant
Mupirocin	Anti-bacterials
Micafungin Sodium	Anti-fungals
Mitomycin	Oncology Drugs

Financial Performance

Concord Biotech Ltd.				

Financial indicators	FY22	FY23	FY24	H1 FY25
Net Sales (Rs. Million)	7129.34	8531.68	10169.39	3101.81
Operating profit (EBITDA) (Rs. Million)	2732.75	3432.88	4315.57	1366.78
Operating margin (in %)	38.33%	40.24%	42.44%	44.06%
Net profit (Rs. Million)	1749.30	2400.86	3081.03	957.41
Net profit margin (in %)	24.54%	28.14%	30.30%	30.87%
Total debt (Rs. Million)	605.86	312.36	62.30	0.00
Debt -to- Equity	0.05	0.02	0.00	0.00
Return on Capital Employed (ROCE) (in %)	20.99%	24.70%	26.63%	8.04%
Interest coverage (in times)	44.31	72.40	162.67	1364.34
Return on Equity (ROE) (in %)	15.86%	18.61%	20.18%	6.02%
Asset Turnover Ratio (in times)	0.54	0.56	0.60	0.18

Source: Company disclosures, CareEdge Research

6. Kronox Lab Sciences

Overview: Kronox is a pharmaceutical company that specializes in the development and manufacturing of active pharmaceutical ingredients (APIs), specialty chemicals and pharmaceutical excipients.

Representative Product Portfolio:

Specialty Chemical	Uses
Aluminum Ammonium Sulfate	Used in water purification, as a coagulant in wastewater treatment
Aluminium Sulfate	Used as a coagulant in water treatment, paper manufacturing, and as a food additive.
Benzoic Acid	Used as a preservative in food and beverages
Butylated Hydroxytoluene	Antioxidant in food products, cosmetics, and industrial applications
Phosphates	Used in a wide range of applications, including fertilizers, detergents, and food additives
Calcium Carbonate	Used in construction, pharmaceuticals (as a calcium supplement), and food (as a color retainer)

Financial Performance

Kronox Lab Sciences				
Financial indicators	**FY22**	**FY23**	**FY24**	**H1 FY25**
Net Sales (Rs. Million)	822.5	955.8	898.62	248.59
Operating profit (EBITDA) (Rs. Million)	196.3	217.1	283.19	88.04
Operating margin (in %)	23.87%	22.72%	31.51%	35.42%
Net profit (Rs. Million)	136.1	164.0	213.513	64.731
Net profit margin (in %)	16.55%	17.16%	23.76%	26.04%
Total debt (Rs. Million)	6.40	0.00	0.00	0.00
Debt -to- Equity	0.02	0.00	0.00	0.00
Return on Capital Employed (ROCE) (in %)	43.16%	34.00%	30.52%	11.43%
Interest coverage (in times)	52.9	237.5	NA	NA
Return on Equity (ROE) (in %)	33.49%	36.65%	32.20%	8.39%

Kronox Lab Sciences				
Financial indicators	**FY22**	**FY23**	**FY24**	**H1 FY25**
Asset Turnover Ratio (in times)	1.44	1.29	0.90	0.29

Source: Company disclosures, CareEdge Research

7. Blue Jet Healthcare Ltd.

Overview: Blue Jet Healthcare Ltd. was incorporated in 1968 as Jet Chemicals Pvt. Ltd. The company is currently headquartered in Mumbai, Maharashtra. It is an Indian pharmaceutical company specializing in the development and manufacturing of active pharmaceutical ingredients (APIs) and intermediates. The company focuses on delivering products that cater to various therapeutic areas, including antibiotics, antifungals, and analgesics. It has a wider presence in contrast media[12] intermediates.

Representative Product Portfolio:

Contrast Media Intermediate	Usage
Diatrizoic Acid	X-ray
Iothalamic Acid	
Iohexol	
Gadoterate	MRI
Gadodiamide	
Gadobenate	

Financial Performance

Blue Jet Healthcare Ltd.				
Financial indicators	**FY22**	**FY23**	**FY24**	**H1 FY25**
Net Sales (Rs. Million)	6834.7	7209.8	7116	2082.6
Operating profit (EBITDA) (Rs. Million)	2492.6	2190.9	2292.3	694.9
Operating margin (in %)	36.47%	30.39%	32.21%	33.37%
Net profit (Rs. Million)	1815.9	1600.3	1637.5	583.49
Net profit margin (in %)	26.57%	22.20%	23.01%	28.02%
Total debt (Rs. Million)	0	0	0	0.0
Debt -to- Equity	-	-	-	-
Return on Capital Employed (ROCE) (in %)	45.77%	31.67%	25.82%	8.23%
Interest coverage (in times)	74.7	160.4	1368	3664.0
Return on Equity (ROE) (in %)	34.82%	23.48%	19.37%	6.31%
Asset Turnover Ratio (in times)	0.96	0.84	0.67	0.18

Source: Company disclosures, CareEdge Research

8. Vasudha Pharma Chem Ltd.

[12] Contrast mediate intermediate is a substance used to enhance the contrast of structures or fluids within the body in medical imaging

Overview: Vashuda Pharma Chem Ltd. was incorporated in 1994-95 in Hyderabad, India. Vasudha Pharmachem is a Indian company specializing in the manufacture of pharmaceutical intermediates and fine chemicals. It caters to the pharmaceutical industry by supplying essential intermediates used in the production of Active Pharmaceutical Ingredients (APIs).

Representative Product Portfolio:

Intermediate	API	Therapeutic Category
7-Hydroxy-3,4-dihydro-2(1H)	Fluoxetine, Sertraline	CNS- Psychiatry (Antidepressants)
7-(4-Bromobutoxy)-3,4-dihydro-2(1H)-quinolinone	Quetiapine, Trazodone	CNS Drugs (Psychiatry - Antipsychotics)
1-(2,3-Dichlorophenyl) piperazine hydrochloride	Trazodone, Buspirone	CNS Drugs (Psychiatry - Antidepressants, Anxiolytics)
1-Methyl-4-(piperidin-4-yl) piperazine	Fluoxetine, Sertraline	CNS Drugs (Psychiatry - Antidepressants)
n-Boc-4-hydroxypiperidine	Fentanyl, Pyridostigmin	CNS Drugs (Anesthetics, Neurology - Muscle Relaxants)

Financial Performance

Vasudha Pharma Chem Ltd.			
Financial indicators	**FY22**	**FY23**	**FY24**
Net Sales (Rs. Million)	10870.9	11622.2	11541.9
Operating profit (EBITDA) (Rs. Million)	3743.6	3002.9	3575.3
Operating margin (in %)	34.44%	25.84%	30.98%
Net profit (Rs. Million)	1236.1	954.2	1146.7
Net profit margin (in %)	11.37%	8.21%	9.94%
Total debt (Rs. Million)	1589.7	2050.6	532.5
Debt -to- Equity	0.17	0.19	0.05
Return on Capital Employed (ROCE) (in %)	17.85%	12.54%	13.61%
Interest coverage (in times)	15.6	10.9	19.0
Return on Equity (ROE) (in %)	12.88%	9.04%	9.81%
Asset Turnover Ratio (in times)	0.82	0.82	0.87

Source: Company disclosures, CareEdge Research; H1 FY25 financials not available yet

9. Chandak Laboratories Pvt. Ltd.

Overview: Chandak Laboratories is a manufacturer of pharmaceutical intermediates and active ingredients based in India. The company focuses on producing essential chemicals used in the pharmaceutical industry. Chandak Laboratories serves both the domestic and international markets by providing intermediates that are crucial for drug formulation and production processes.

Representative Product Portfolio:

Intermediate	API	Therapeutic Category
Azacyclonol	Azacyclonol	CNS Drugs (Psychiatry - Anxiolytics, Sedatives)
N-Benzyl-4-Piperidine Carboxyaldehyde	Fentanyl, Carfentanil	CNS Drugs (Anesthetics - Opioids)
Alpha-Dimethyl	Methamphetamine, Amphetamine	CNS Drugs (Psychiatry - Stimulants)
Isonipecotic Acid Ethyl	Baclofen	CNS Drugs (Neurology - Muscle Relaxants)

Financial Performance

Chandak Laboratories Pvt. Ltd.		
Financial indicators	**FY22**	**FY23**
Net Sales (Rs. Million)	1901.7	2397.5
Operating profit (EBITDA) (Rs. Million)	260.4	405.3
Operating margin (in %)	13.69%	16.91%
Net profit (Rs. Million)	194	302.2
Net profit margin (in %)	10.20%	12.61%
Total debt (Rs. Million)	124.4	106
Debt -to- Equity	0.24	0.13
Return on Capital Employed (ROCE) (in %)	41.19%	44.23%
Interest coverage (in times)	25.7	38.1
Return on Equity (ROE) (in %)	36.74%	36.40%
Asset Turnover Ratio (in times)	1.65	1.74

Source: Company disclosures, CareEdge Research, Financials for FY24 & H1 FY25 not available yet

10. Catapharma Chemicals Pvt. Ltd.

Overview: The Catapharma Group was formed in 1986. The company is a player in the Indian chemical industry, primarily involved in the manufacturing and supply of fine chemicals and pharmaceutical intermediates. The company specializes in producing intermediates for Active Pharmaceutical Ingredients (APIs) across various therapeutic segments, serving both domestic and international markets.

Representative Product Portfolio:

Intermediate	API	Therapeutic Category
Methyl piperazine	Flunarizine	CNS - Neurology
Ethyl piperazine	Norfloxacin, Ciprofloxacin	Anti-Infective Drugs
(Hydroxyethyl) piperazine	Imatinib, Voriconazole	Oncology / Anti-Infective Drugs
(3-methoxyphenyl) Piperazine	Aripiprazole, Trazodone	CNS – Antipsychotics / Antidepressants
Amino-4-methyl piperazine	Sitagliptin	Endocrine drugs (Antidiabetic)

Financial Performance

Catapharma Chemicals Pvt. Ltd.			
Financial indicators	**FY22**	**FY23**	**FY24**
Net Sales (Rs. Million)	847.5	1118.3	1092.0
Operating profit (EBITDA) (Rs. Million)	269.3	361.4	927.8
Operating margin (in %)	31.78%	32.32%	40.00%
Net profit (Rs. Million)	197.8	267.4	371.1
Net profit margin (in %)	23.35%	23.91%	33.98%
Total debt (Rs. Million)	0.00	0.00	0.00

Debt -to- Equity	0.00	0.00	0.00
Return on Capital Employed (ROCE) (in %)	29.42%	30.60%	31.65%
Interest coverage (in times)	2101.5	393.8	1201.6
Return on Equity (ROE) (in %)	21.70%	22.68%	23.94%
Asset Turnover Ratio (in times)	0.87	0.89	0.68

Source: Company disclosures, CareEdge Research; H1 FY25 financials not available yet

11. SPC Lifesciences

Overview: SPC Life Sciences, based in Gujarat, India, is involved in the development and manufacture of intermediates and APIs. The company focuses on pharmaceutical intermediates and bulk drugs across therapeutic segments, such as antidiabetic and cardiovascular. The company serves international and domestic operations both.

Representative Product Portfolio:

Intermediate	API	Therapeutic Category
2-(Diethylamino)ethyl Chloride Hydrochloride	Procaine, Pramocaine	CNS Drugs (Anesthetics - Local)
2-(2-Chloroethoxy) ethanol	Ertapenem	Anti-Infective Drugs (Antibiotics)
4-(2-Chloroethyl) piperidine	Piperazine derivatives	CNS Drugs (Psychiatry - Antipsychotics, Research)
4-(2-Chloroethyl) morpholine hydrochloride	Pyridostigmine	CNS Drugs (Neurology - Muscle Relaxants)
3-(Dimethylamino)propyl chloride hydrochloride	Pramipexole	CNS Drugs (Neurology - Parkinson’s Disease)

Financial Performance

SPC Life Sciences Ltd.			
Financial indicators	**FY22**	**FY23**	**FY24**
Net Sales (Rs. Million)	1456.4	1548.8	1553.0
Operating profit (EBITDA) (Rs. Million)	300.3	252.9	169.1
Operating margin (in %)	20.62%	16.33%	10.89%
Net profit (Rs. Million)	192.3	150.0	-18.3
Net profit margin (in %)	13.20%	9.68%	-1.18%
Total debt (Rs. Million)	419.3	937.7	1035.4
Debt -to- Equity	0.61	1.12	1.26
Return on Capital Employed (ROCE) (in %)	31.52%	16.99%	5.94%
Interest coverage (in times)	11.50	8.20	1.00
Return on Equity (ROE) (in %)	27.99%	17.91%	-2.23%
Asset Turnover Ratio (in times)	1.05	0.72	0.67

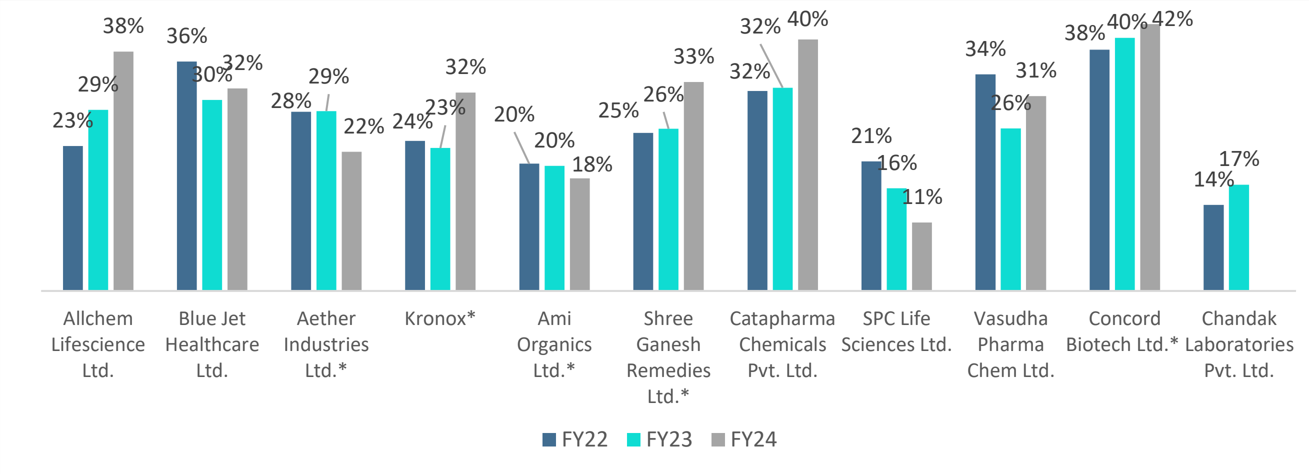
Source: Company disclosures, CareEdge Research; H1 FY25 financials not available yet

Benchmarking based on Financial Parameters

1. EBITDA Margin

The EBITDA margin tends to fluctuate across companies in the industry. While companies like Blue Jet Healthcare and Aether Industries have experienced notable fluctuations and reductions in margins, Allchem Lifesciences has shown consistent improvement from FY22 to FY24. The company posted a robust margin of 37% in FY24, continuing its upward trend. This margin growth is attributed to operational efficiencies and cost management initiatives.

Chart 56: Comparison of EBITDA Margin



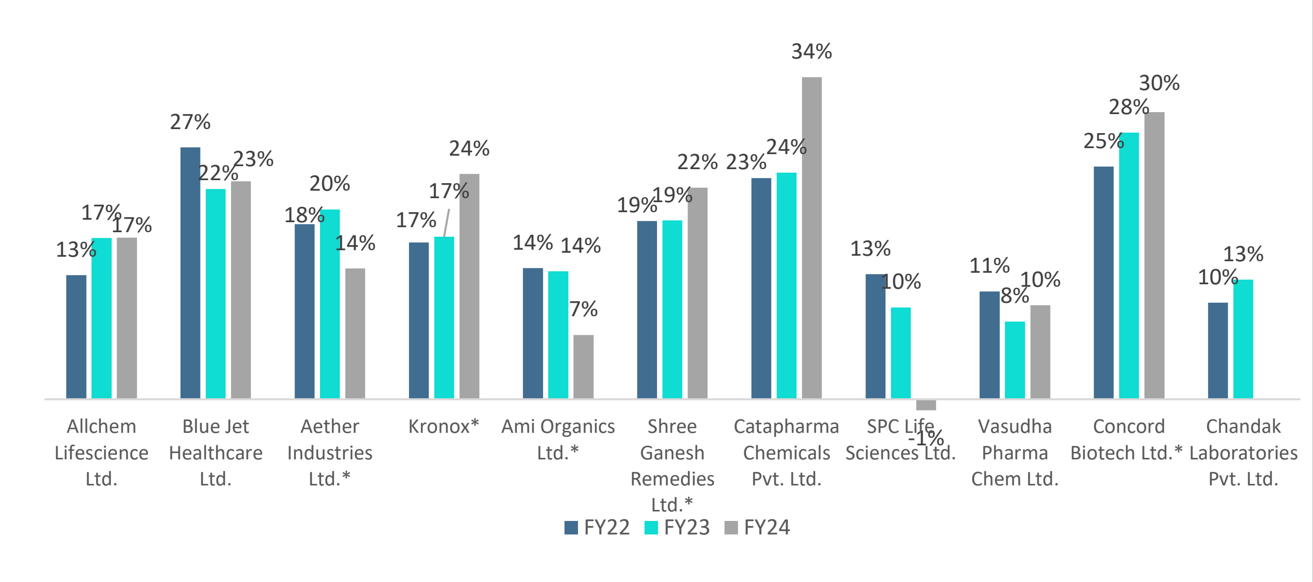
Source: Company disclosures, CareEdge Research

Note: * denotes consolidated financials considered; Financials for FY24 not available yet for Chandak Laboratories Pvt. Ltd.

2. Net Profit Margin

The overall performance across companies in terms of net profit margins reveals a mixed picture. While majority companies posted a decline in net profit margins in FY23, Aether Industries and Allchem Lifesciences posted growth in margins despite competitive environment. Although margins suppressed for these players in FY24 yet remains competitive.

Chart 57: Comparison of Net Profit Margin



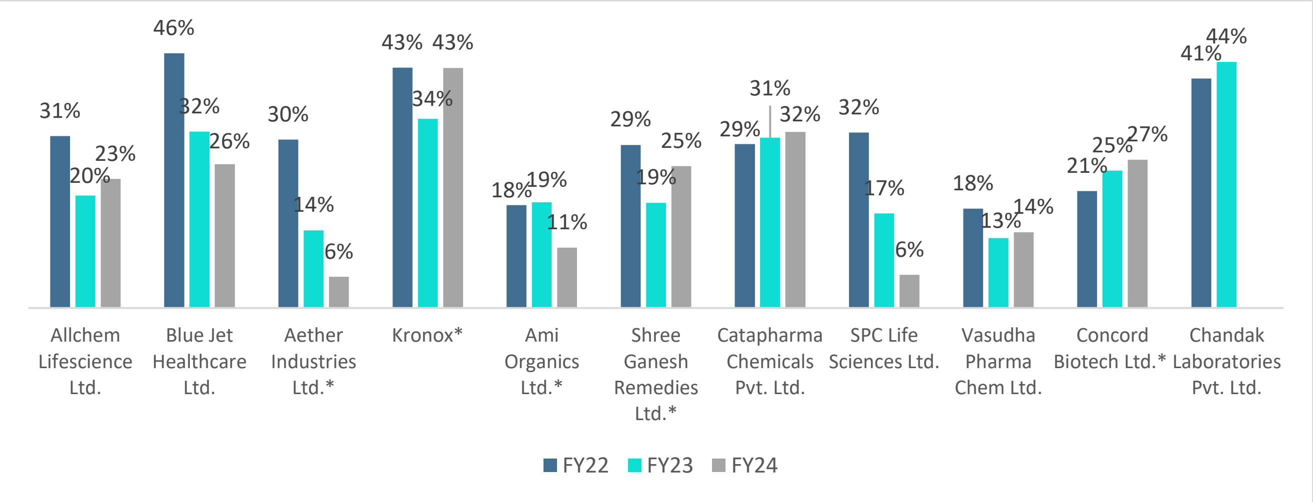
Source: Company disclosures, CareEdge Research

Note: * denotes consolidated financials; Financials for FY24 not available yet for Chandak Laboratories Pvt. Ltd.

3. Return on Capital Employed (ROCE)

Return on Capital Employed (ROCE) measures a company's efficiency at generating profits. The percentage for returns on capital employed remained higher for the majority of the companies in FY22. While companies such as Blue Jet Healthcare, Aether Industries and Kronox Lab Sciences have registered a steep decline in FY24, Allchem Lifesciences has maintained the consistency of posting decent returns. This highlights the company's effective capital management.

Chart 58: Comparison of Return of Capital Employed

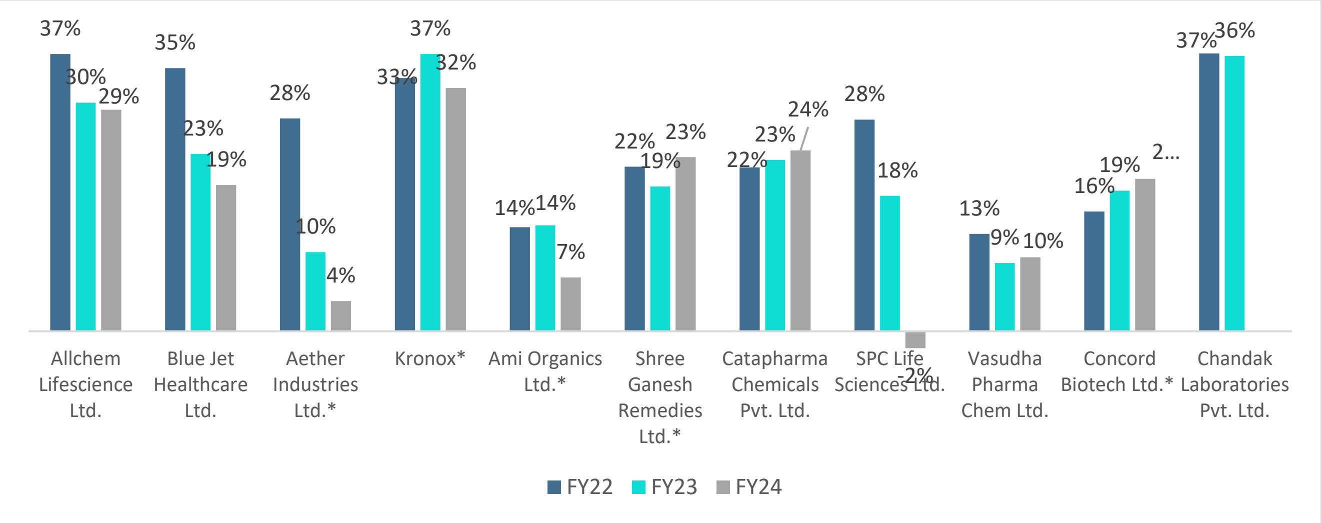


Source: Company disclosures, CareEdge Research; Note: * denotes consolidated financials; Financials for FY24 not available yet for Chandak Laboratories Pvt. Ltd.

4. Return on Equity

Return on Equity (ROE) assesses a company's efficiency in generating profits for its shareholders. Although ROE varies across companies due to differing capital structure, many industry players have experienced significant fluctuations. While Blue Jet Healthcare and Aether Industries have posted sharp decline; Kronox and Allchem Lifesciences have managed to post stable returns delivering moderate growth to its shareholders.

Chart 59: Comparison of Return on Equity

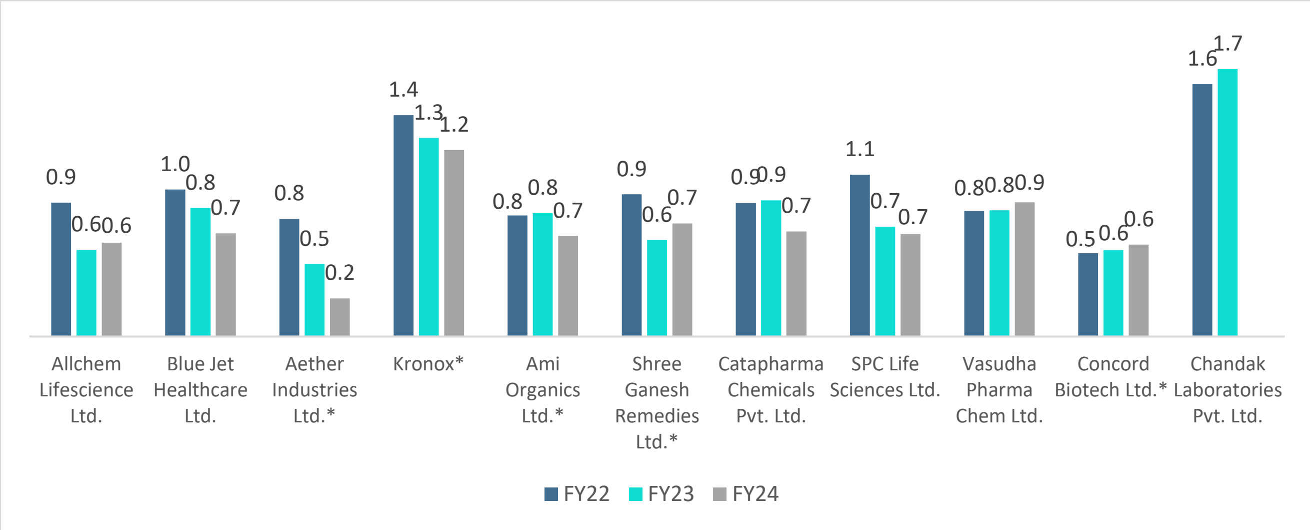


Source: Company disclosures, CareEdge Research; Note: * denotes consolidated financials; Financials for FY24 not available yet for Chandak Laboratories Pvt. Ltd.

5. Asset Turnover Ratio

The Asset Turnover Ratio reflects how efficiently a company utilizes its assets to generate revenue. While the ideal average for this ratio stands below 1 for the majority of the companies, multiple companies have posted a decline in asset turnover ratio over the past three years owing to the addition of a production block as per their expansion plans. While companies like Kronox Labsciences, Ather Industries posted decline in FY24, Allchem Lifesciences maintained consistency delivering steady performance.

Chart 60: Comparison of Asset Turnover Ratio (in times)

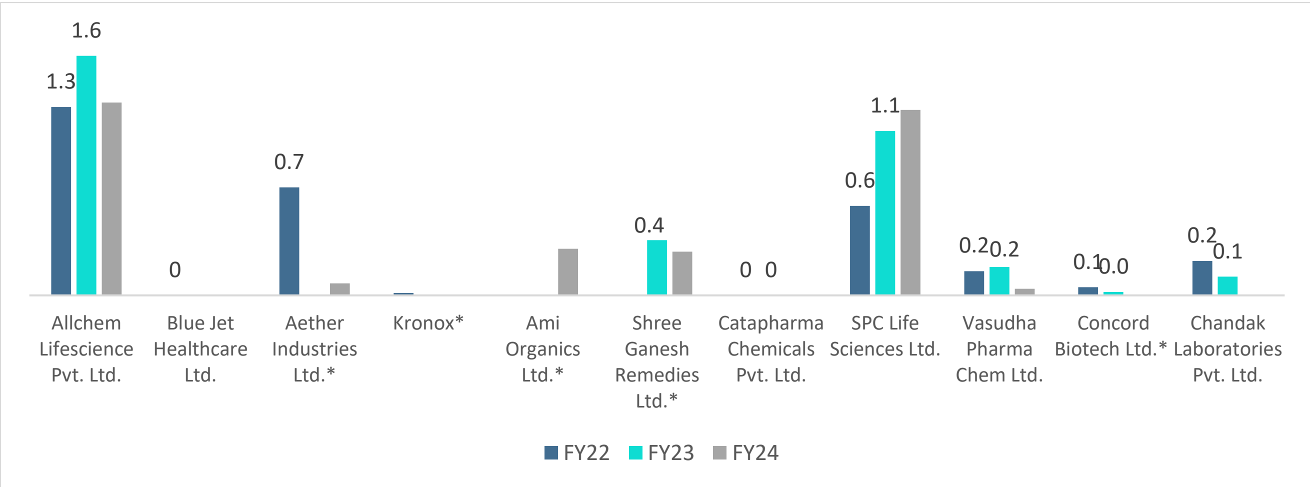


Source: Company disclosures, CareEdge Research
Note: * denotes consolidated financials; Financials for FY24 not available yet for Chandak Laboratories Pvt. Ltd.

6. Debt-Equity Ratio

This ratio measures the company's financial leverage. The companies have posted a wide range of D/E ratios owing to their respective Debt levels. While few companies do not own debt, companies such as SPC Lifesciences and Allchem Lifesciences have posted decent performance in its D/E ratio which implies the company's efficiency to manage its debt while maintaining growth.

Chart 61: Comparison of Debt-Equity Ratio



Source: Company disclosures, CareEdge Research
Note: * denotes consolidated financials; Financials for FY24 not available yet for Chandak Laboratories Pvt. Ltd

OUR BUSINESS

Unless otherwise stated, references in this section to 'Our Company", "we", "our" or "us" (including in the context of any financial information) are to our Company.

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read 'Forward-Looking Statements' on page 25 for a discussion of the risks and uncertainties related to those statements. To obtain a complete understanding of our business, prospective investors should read this section in conjunction with 'Risk Factors', 'Industry Overview', 'Financial Information' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on pages 27, 130, 261 and 360, respectively, as well as financial and other information contained in this Draft Red Herring Prospectus as a whole. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Draft Red Herring Prospectus. For further information, see 'Financial Statements' on page 261.

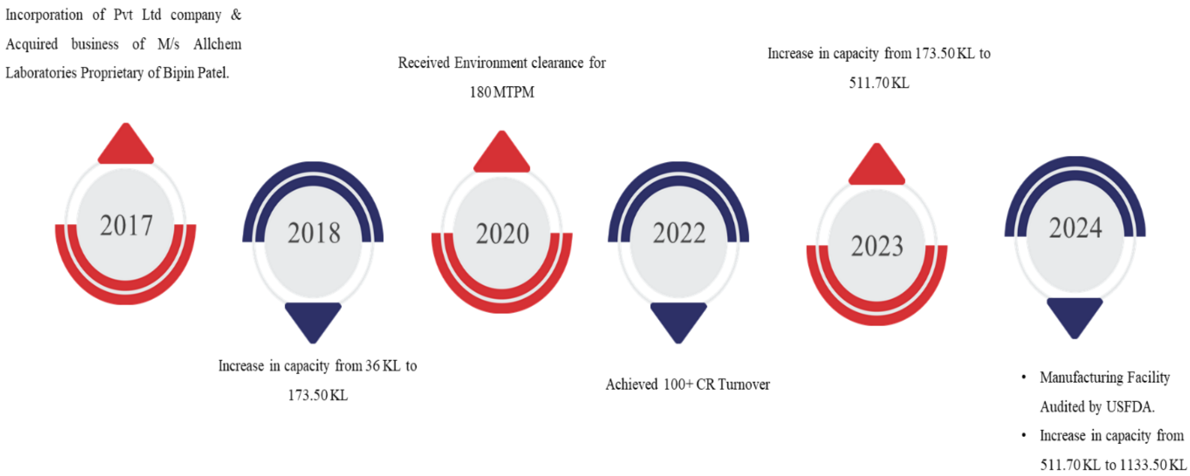
We have, in this Draft Red Herring Prospectus, included various operational and financial performance indicators and certain non-GAAP measures, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor, and each of which is a supplemental measure of our performance and liquidity and not required by, or presented in accordance with Ind AS, IFRS or U.S. GAAP. Furthermore, such measures and indicators are not defined under Ind AS, IFRS, U.S. GAAP or other accounting standards, and therefore should not be viewed as substitutes for performance, liquidity or profitability measures under such accounting standards. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates underlying, used in such calculation, may vary from that used by other similarly placed companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and are cautioned that they should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.

*Unless otherwise indicated, industry and market data used in this section has been derived from 'Research Report on API Intermediates Industry' by CARE (**CARE Report**). A copy of the CARE Report is available at https://allchemlifescience.com/ipo-offer-documents.php. Unless otherwise indicated, all industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year. See 'Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data' and 'Risk Factors - This Draft Red Herring Prospectus contains information from an industry report prepared by CARE which we have commissioned and paid for.' on pages 23 and 54, respectively.*

Overview

Our Company is an Indian manufacturer of active pharmaceutical ingredients (**API**) intermediates and speciality chemicals. We specialise in the production of key starting materials (KSMs), generic API intermediates and specialty chemicals.

According to the CARE Report, with a reaction volume of 1,134 KL as of December 2024 and a hydrogenation capacity of 60 KL, making it one of the largest in India, we are a key player in manufacturing derivatives of piperazine. According to the CARE Report, piperazine derivatives are critical raw materials for producing APIs like Quetiapine. In addition to a strong domestic customer base, we have also developed a significant export market. One of our Promoters, Bipin Patel, began his business journey in 2003 under a proprietorship firm by the name of Allchem Laboratories (**Proprietorship**). In 2017, our Company acquired the existing business of the sole proprietorship of Bipin Patel viz., M/s Allchem Laboratories. Over the last 7 years, our Company has achieved certain important milestones, as depicted below:



Note: The above milestones are represented as per Calendar Year.

Our Company's primary business verticals can be classified as follows:

➢ ***Manufacturing API intermediates*** – According to the CARE Report, API intermediates are critical chemical compounds utilized in the production of active pharmaceutical ingredients (APIs) or finished drugs. Further, these intermediates act as transitional building blocks, essential for the synthesis process, undergoing chemical transformations that ultimately result in the final API or drug formulation.

➢ ***Specialty or fine chemicals*** – According to the CARE Report, specialty chemicals, also known as performance chemicals, are specifically formulated substances designed for functions and applications. Unlike commodity chemicals, which are mass-produced, specialty chemicals are manufactured in smaller quantities, with a strong emphasis on quality, performance, and customization to meet the unique demands of various industries. Further, in the pharmaceutical industry, specialty chemicals, such as catalysts, play a vital role in commercial processes like the synthesis of paracetamol, vitamin K, and erythromycin.

Set out below is a break-up of our revenue from our primary business verticals for the 6 month period ended September 30, 2024 and Fiscal 2024, Fiscal 2023 and Fiscal 2022.

Particulars	**6 month period September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue (*in ₹ million*)	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**
API intermediates	684.83	87.63	1,110.51	81.29	828.05	78.87	821.62	76.72
Specialty chemicals	94.86	12.14	246.56	18.05	177.40	16.90	125.93	11.76
Total	**779.69**	**99.77**	**1357.07**	**99.34**	**1005.45**	**95.77**	**947.55**	**88.48**

Over the years we have developed the ability to manufacture 263 products which demonstrates our strong focus on different chemistries in organic chemical compounds. As on December 31, 2024, we had a product development team of 8 employees, and Bipin Kantilal Patel, our Managing Director, supervises our product development division. Our Company's focus has been to identify potential demand for products, in particular, products that are difficult to source in India or which being import substitutes are not easily available, develop such products and scale up production once the demand is in place. According to the CARE Report, among our identified peers, we have consistently had one of the highest return on equity (**RoE**).

The table below sets out our key API intermediates and Specialty Chemicals from our existing portfolio of products as on December 31, 2024.

Sr. No.	Product	End Use
API Intermediates		
1.	1-[2-(2-Hydroxyethoxy)ethyl]Piperazine	Quetiapine / Etodroxizine / Dixyrazine / Hydroxyzine
2.	Dibenzo[b,f][1,4]thiazepin 11 (10 H)-one	Quetiapine / Etodroxizine / Dixyrazine / Hydroxyzine
3.	2-Amino-4-phenylbutane	Labetalol / Buphenine
4.	2-(1-Piperazinyl)pyrimidine	Buspirone / Binospirone / Itriglumide / Piribedil /Tandospirone
5.	3,3-Tetramethyleneglutarimide	Buspirone / Binospirone / Itriglumide / Piribedil /Tandospirone
6.	N,N-Diethyl ethylenediamine	Metoclopramide/Sunitinib/Tiapride
7.	1-Benzyl-4-piperidinecarboxaldehyde	Donepezil
8.	3-(1-Piperazinyl)-1,2-Benzisothiazole	Lurasidone / Ziprasidone / Tiospirone / Perospirone / Tandospirone
9.	(3ar,4S,7R,7as)-Rel-Hexahydro-4,7-Methano-1H-Isoindole-1,3(2H)-Dione	Lurasidone / Ziprasidone / Tiospirone / Perospirone / Tandospirone
10.	cis-5-Norbornene-exo-2,3-dicarboxylic anhydride	Lurasidone / Ziprasidone / Tiospirone / Perospirone / Tandospirone
Specialty Chemicals		
11.	N,N-Dimethylethylenedimaine	API Intermediates/Photochemicals/Agro Chemicals/Other Intermediates
12.	N-Benzyl aniline	API Intermediates/Veterinary Drugs/Agro Chemicals/Other Intermediates
13.	1-Methyl-4-piperidone	API Intermediates/ Other Intermediates
14.	4-Methoxybenzylamine	API Intermediates/ Other Intermediate
15.	1-Hydroxyethyl piperazine	API Intermediates/Plastics/ Cosmetics Additives/ Other Intermediates
16.	2-Chlorobenzimidazole	API Intermediates/ Other Intermediates
17.	N,N'-Dimethylethylenediamine	API Intermediates/ Other Intermediates
18.	N-BOC-4-piperidone	API Intermediates/ Other Intermediates
19.	Ethyl cyclopentanecarboxylate	API Intermediates/ Other Intermediates
20.	N,N-Diethylethylenediamine	API Intermediates/ Other Intermediates

We cater to prominent domestic and international customers, such as Alembic Pharmaceuticals Limited, Bond Chemical Limited, Chemosyntha BV, Cohance Life Sciences Limited, Egene Co Limited, Hattori Corporation, Huaian Jiamu Biotechnology Co. Limited, Indoco Remedies Limited, Megafine Pharma (P) Limited, Micro Labs Limited, Moehs Iberica, S.L., MSN Laboratories Private Limited, Nagase India Private Limited, Neogen Chemicals Limited, Neuland Laboratories Limited, Olon Active Pharmaceutical Ingredients India Private Limited, Unichem Laboratories Limited, Vasudha Pharma Chem Limited and Vivatis Pharma GmbH. Set out in the table below are the number of customers we catered in during the 6 month period ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022.

Particulars	For the 6 month period September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
No. of customers in India	114	148	112	116
No. of export customers	45	66	76	64
Total	**159**	**214**	**188**	**180**

Our business caters to both domestic and international customers, and the table below sets out the break-up of our revenues from our domestic and international sales during the 6 month period ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, based on our Restated Financial Statements.

Particulars	**For the 6 month period September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue (*in ₹ million*)	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**
India	617.34	78.69	820.81	59.73	627.15	59.32	550.44	50.92
Export	164.17	20.93	545.35	39.68	422.79	39.99	520.45	48.14
Total*	**781.51**	**99.62**	**1,366.16**	**99.41**	**1,049.95**	**99.31**	**1,070.88**	**99.06**

** does not include other operating income forming part of the Revenue from Operations.*

Our manufacturing operations are based out of our facility in Village: Manjusar, Vadodara, Gujarat (**Manufacturing Facility**). As on December 31, 2024, our Manufacturing Facility had a total equipment capacity of 1,133.50 KL.

Our business and operations are led by a qualified and experienced management team and our Board who come from diverse backgrounds with prior industry experience in various fields. We benefit from the industry experience, vision and guidance of Promoters.

COMPETITIVE STRENGTHS

Long-standing relationships with a stable customer base

We have, over the years, established long-standing relationship with prominent domestic and international customers across the pharmaceutical and healthcare companies Bond Chemicals Limited, Chemosyntha, Hattori Corporation, MSN Laboratories Private Limited, Megafine Pharma Private Limited, Neogen Chemicals Limited and Olon Active Pharmaceutical Ingredients India Private Limited. In each of the 6 month period ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022 we have catered to 159, 214, 188 and 180 customers, respectively.

Further, our top 3, top 5 and top 10 customers during the 6 month period ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022 have been with the Company for the durations set out below.

Particulars	**Customers**	**Minimum Period (in years)***	**Maximum Period (in years)***
6 month period ended September 30, 2024	Top 3 Customer	9	13
	Top 5 Customer	3	13
	Top 10 Customer	3	14
Fiscal 2024	Top 3 Customer	8	11
	Top 5 Customer	4	13
	Top 10 Customer	4	15
Fiscal 2023	Top 3 Customer	9	13
	Top 5 Customer	9	15
	Top 10 Customer	3	15
Fiscal 2022	Top 3 Customer	8	12
	Top 5 Customer	8	15
	Top 10 Customer	4	15

**Includes association with Allchem Laboratories, a proprietorship firm, wherein one of our Promoters, Bipin Patel, was the sole proprietor, and whose business was acquired by our Company in 2017.*

Our stable customer base is further demonstrated by our customer retention as set out in the table below.

Particulars	For the 6 month period September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total no. of customers	159	214	188	180
No. of customers retained from the preceding financial period	114	114	121	96
% of customers retained from the preceding financial period	71.70	53.27	64.36	53.33

Further, set out in the table below are details of the revenue generated by us from our top 3, top 5 and top 10 customers in the 6 month period ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022. For details of our top 10 customers please see *'Our Business – Customers'* on page 217.

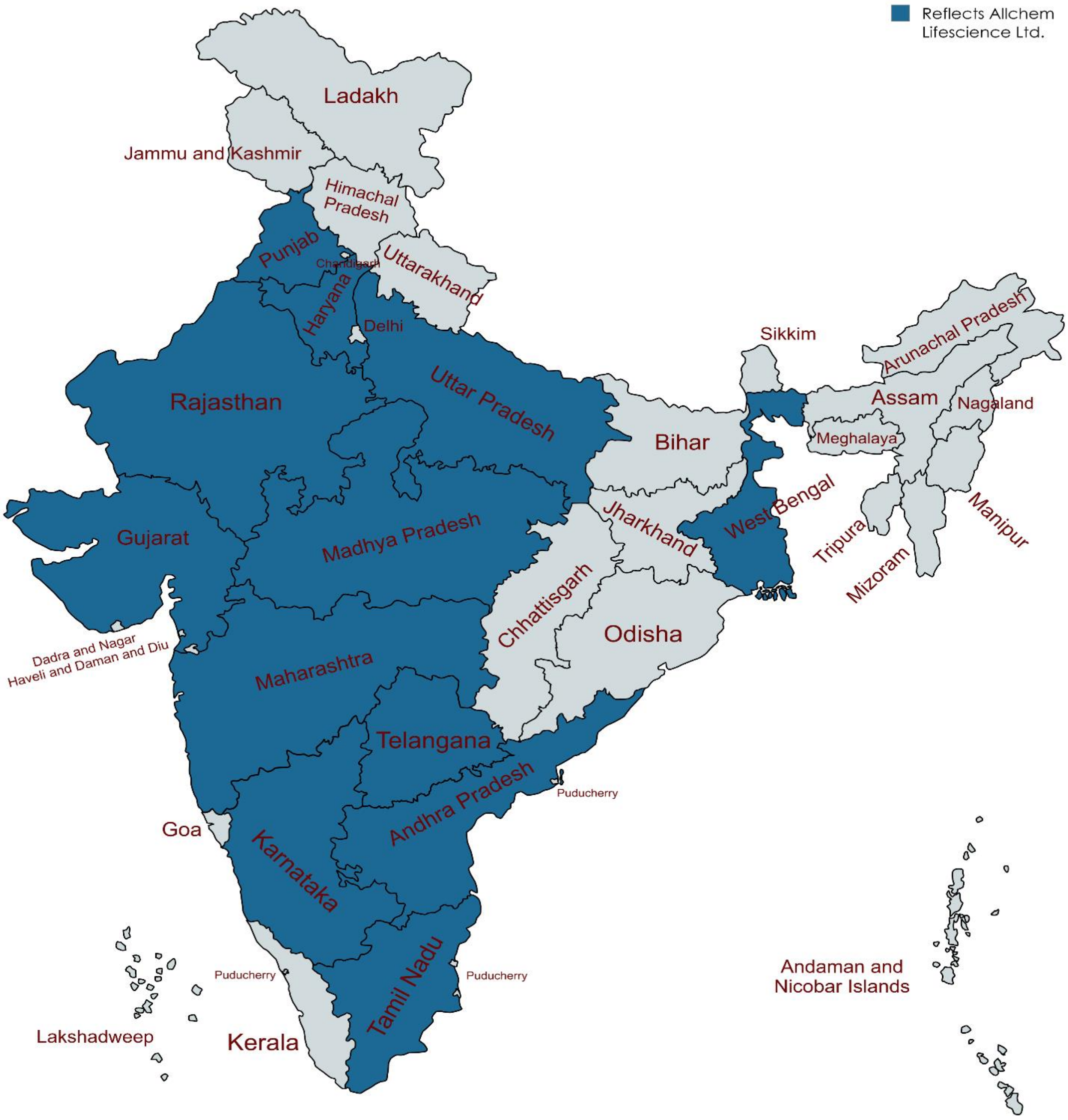
Particulars	For the 6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (*in ₹ million*)	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**
Top 3 customers	266.94	34.03	373.46	27.18	285.68	27.02	348.34	32.22
Top 5 customers	336.47	42.89	518.42	37.73	373.27	35.31	479.29	44.34
Top 10 customers*	465.72	59.37	743.36	54.09	531.85	50.31	674.95	62.44

We ascribe our ability to retain our customers to our focus on product development and our focus on quality throughout the entire value chain of production which drives the quality of our end-product.

Diversified customer base with strong export credentials

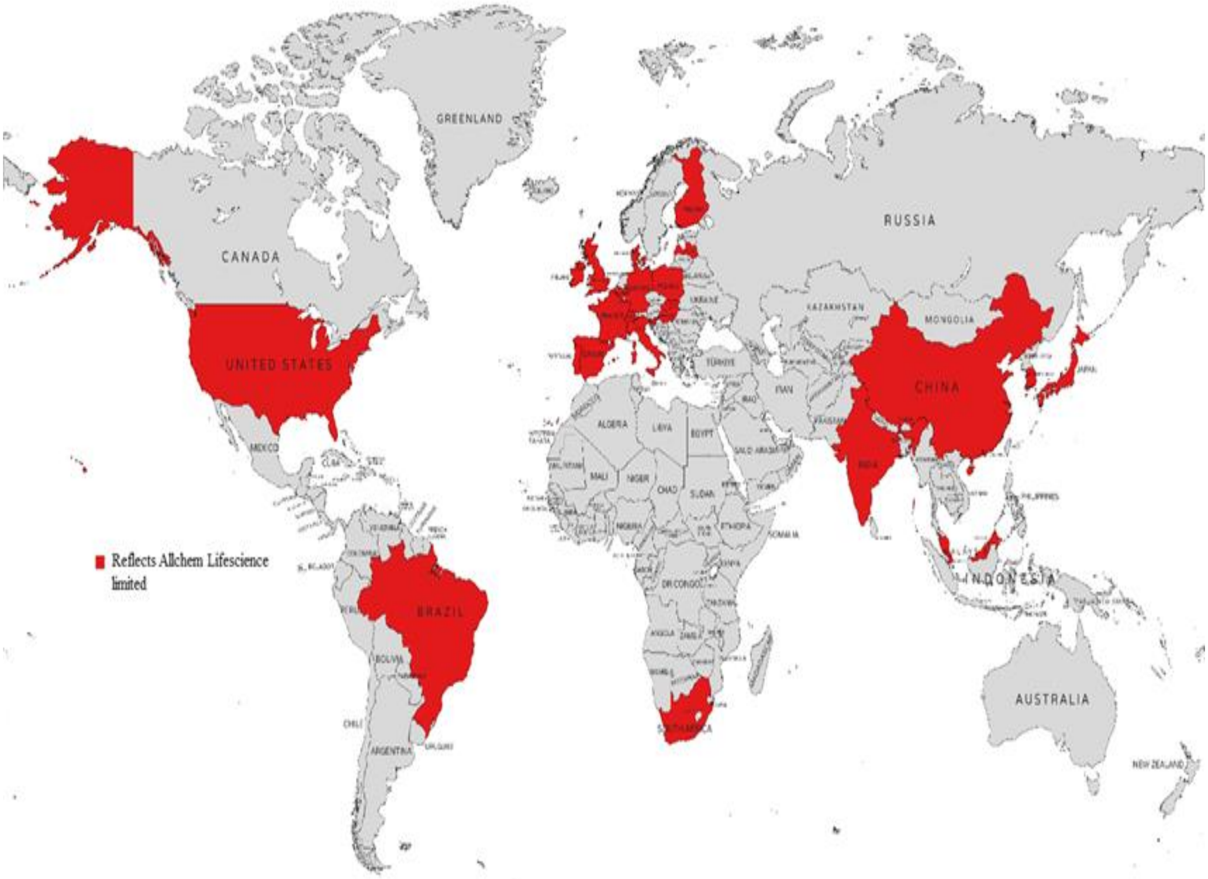
One of the key factors of our competitiveness is our diversified customer base. We have been focussed on diversifying our customer base within India and overseas. As of December 31, 2024, we are catering to customers across 13 states in India and 22 countries overseas.

Set out below are pictorial representation reflecting the location of our domestic and international customers.



The table below sets out our revenues from domestic sales in the 6 month period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, based on our Restated Financial Statements.

Particulars	**For the 6 month period September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue *(in ₹ million*)	**As a % of revenue from operations**	**Revenue *(in ₹ million*)**	**As a % of revenue from operations**	**Revenue *(in ₹ million*)**	**As a % of revenue from operations**	**Revenue *(in ₹ million*)**	**As a % of revenue from operations**
India								
West	484.44	61.57	607.61	44.22	441.19	41.73	387.55	35.85
South	128.07	16.33	204.97	14.92	171.05	16.18	149.69	13.85
North	4.05	0.52	6.26	0.46	13.66	1.29	9.05	0.84
East	0.79	0.10	1.96	0.14	1.25	0.12	4.14	0.38
Total	***617.34***	***78.70***	***820.81***	***59.73***	***627.15***	***59.32***	***550.44***	***50.92***



(*These maps are for representation purposes only and and should not be considered an accurate geopolitical representation*)

The table below sets out our revenues from exports in the 6 month period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, based on our Restated Financial Statements.

Particulars	**For the 6 month period September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue *(in ₹ million)*	**As a % of revenue from operations**	**Revenue *(in ₹ million)***	**As a % of revenue from operations**	**Revenue *(in ₹ million)***	**As a % of revenue from operations**	**Revenue *(in ₹ million)***	**As a % of revenue from operations**
Export								
Europe*	81.51	10.39	337.56	24.56	191.05	18.07	361.78	33.47
Japan	18.15	2.31	98.69	7.18	75.24	7.12	58.46	5.41
China	49.88	6.36	49.71	3.62	72.67	6.87	54.35	5.03
Rest of the world**	14.63	1.86	59.39	4.32	83.83	7.93	45.86	4.24
Total	**164.17**	**20.93**	**545.35**	**39.68**	**422.79**	**39.99**	**520.45**	**48.14**

***** *includes Spain, Finland, Poland, France, Germany, The United Kingdom, Portugal, Belgium and Italy.*
****** *includes the USA, Singapore, Hungary, South Korea, and South Africa.*

The diversification of our customer base has enabled us to reduce our dependency on any customer in any specific geography while allowing us to broad-base our risk profile across geographies. We are also in the process of expanding our exporting into the United States and to this end, in May 2024, the United States Food and Drug Administration (**US FDA**), undertook a pre-announced, pre-approval inspection of our Manufacturing Facility to provide pre-approval inspection coverage for the manufacture of a specific intermediate.

Well established Manufacturing Facility with a focus on sustainability

As on December 31, 2024, our Manufacturing Facility had total equipment capacity of 1,133.50 KL. Our Manufacturing Facility is equipped with sophisticated equipment such as hydrogenators, stainless steel (**SS**) reactors, glass lined reactors, high vacuum distillation units, agitated nutsche filter dryers, SS centrifuges, scrubbers, liquid blenders etc., that enables us to manufacture quality products.

We commenced our operations with an annual equipment capacity of 36 KL (through a transfer of business from the proprietorship) and have incurred significant amounts of capital expenditure to augment our total equipment capacity to 1,133.50 KL as of December 31, 2024. Set out in the table below are details of the capital expenditure incurred by our Company in the 6 month period ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022.

Particulars	**For the 6 month period September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Amount (*in ₹ million*)	**As a % of revenue from operations**	**Amount (*in ₹ million*)**	**As a % of revenue from operations**	**Amount (*in ₹ million*)**	**As a % of revenue from operations**	**Amount (*in ₹ million*)**	**As a % of revenue from operations**
Capital expenditure	102.93	13.12%	422.45	30.74%	740.06	70.00%	367.29	33.98%

Set out below are the installed capacity and actual production details of our Manufacturing Facility as on December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.

Particulars	**As on**			
	December 31, 2024	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Installed capacity (in Tonn)	495*	660	660	660
Actual production (in Tonn)**	474.47	527.24	421.18	502.74
Capacity utilisation (%)***	95.85%	79.88%	63.82%	76.17%

As certified by A.Y. Chippa, Independent Chartered Engineer, pursuant to certificate dated March 10, 2025.
** The total installed capacity for the year is 660 MT hence monthly capacity is 55 MT and December 31, being 9 months accordingly installed capacity for 9 months work out to be 495 MT.*
*** Actual Production taken form the GPCB return filled by the company every month*
**** The approved installed capacity of the company has increased from 55 MTPM to 180 MTPM with effect from January 16, 2025 and accordingly the Company will be able to scale up the business operations by utilising the additional capacity.*

Our Manufacturing Facility has the ability to manufacture a wide range of products and enables us to cater to specific and customised requirements of customers, and tailor our products accordingly. Our Manufacturing Facility is accredited with ISO 9001-2015, ISO 14001-2015 and ISO 45001-2018 for the development, manufacture and sale of organic fine chemicals and pharmaceutical intermediates. Since the products manufactured by our Company are used in the pharmaceutical industry our customers conduct regular inspection and audit of our facilities to ensure that our processes are up to their internal approval standards. The regular inspections and audit give us valuable feedback on the expectation of the industry participants and the prevalent and evolving global best practices, which further helps us strengthen our processes and systems.

Additionally, in May 2024, the United States Food and Drug Administration (**U.S. FDA**), undertook a pre-announced, pre-approval inspection of our Manufacturing Facility to provide pre-approval inspection coverage for the manufacture of a specific intermediate viz., 1-[2.3-dichlorophenyl) piperazine hydrochloride which is used in manufacturing Aripiprazole USP. After the aforementioned inspection and based on the comments received from the U.S. FDA, we have undertaken the necessary steps towards getting our Manufacturing Facility compliant with U.S. FDA standards.

Our Manufacturing Facility also houses a pilot plant where we test and refine our production processes on a small scale to better understand the chemistries. The pilot plant also enables us to test the efficacy of the chemistries we are seeking to develop in small batches. This ensures that our chemistries and its efficacy is established before we scale up production, which also helps in optimising costs.

Strong focus on developing new chemistries leading to diverse products with a wide range of industrial applications

Our Company has established a strong focus on developing new organic chemical compounds and we continually seek to develop new products. Our product development division is led by Bipin Kantilal Patel, our Managing Director, who has over 2 decades of experience in the API intermediates and specialty chemicals industry. He is supported by well-qualified and experienced professionals including Naresh Dhamelia (General Manager – R&D) and Vinita Mahadware (General Manager – Pilot Plant) who, in addition to heading our pilot plant, focuses on diagnosing and resolving issues. As on December 31, 2024, our product development division had a dedicated team of 8 employees, 3 of whom have a master's degree in science and 3 have a bachelor's degree in engineering, science and technology. Separately, 6 of the 8 employees have an experience of 8 years or more.

Our continued focus on developing new organic chemical compounds has led us to have a total product base of 263 products of varying chemistries as of December 31, 2024. Our varied product portfolio is manufactured through different processes such as Dieckmann Cyclization, hydrogenation and high vacuum distillation, which further demonstrates our ability to diversify our chemistries. Further, the table below sets out details of the number of new products that our Company has commercialised i.e., new products which were manufactured and sold by our Company, in 6 month period ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022.

Particulars	**No. of new products manufactured and sold**	**Aggregate revenue from newly manufactured products** (***in ₹ million***)	**Aggregate revenue from newly manufactured products as a % of revenue from operations**
6 month period ended September 30, 2024***	35	42.31	5.41%
Fiscal 2024**	26	73.80	5.40%
Fiscal 2023*	19	25.50	2.43%
Fiscal 2022	10	36.21	3.38%

***** *including the 10 products commercialised in Fiscal 2022.*
*** including the 19 products commercialised in Fiscal 2022 and Fiscal 2023.*
**** including the 26 products commercialised in Fiscal 2022, Fiscal 2023 and Fiscal 2024.*

The diversity of our product bouquet enables us to address a wide range of industrial applications such as Pharmaceutical, Agro Chemicals, Veterinary, Plastics and Electrochemical.

Our focus on developing new products has also helped in expanding our product bouquet, which has enabled us to broad-base industries to which we cater, which helps us in reducing on our dependence on any specific product or industry.

***Supply chain management in an industry with high entry barrier*s**

Given the nature of the applications of our products, our processes and products are subjected to exacting high-quality standards and stringent compliance in terms of obtaining licenses and filing forms under Drug Master File (**DMF**). Further, the end use of our various products has been formally recognised in filings with regulatory agencies. To be able to qualify as an 'approved supplier' our Company goes through a rigorous audit by the customers and sometimes the GMPs of other countries/USFDA etc.

Further, for the Indian API industry, according to CARE:

Stringent Regulatory Approvals

API intermediates must comply with multiple regulatory requirements based on their end-use in pharmaceuticals. Some key regulatory bodies include Central Drugs Standard Control Organization (CDSCO) which regulates drug manufacturing and quality in India, US FDA, European Medicines Agency (EMA), and PMDA (Japan) which is required for exporting to regulated markets and WHO-GMP and ICH Guidelines which are compliance with Good Manufacturing Practices (GMP) and quality standards for intermediates used in global pharmaceutical formulations. The approval processes for API intermediates are lengthy and require documentation such as Drug Master Files (DMFs) and Certificates of Suitability (CEP), creating a major entry barrier for new players.

High Capital Investment in Manufacturing Facilities

The companies are required to set up a cGMP-compliant API intermediates plant based on the product complexity (ii) advanced facilities need high-purity reactors, distillation columns, and controlled environments to prevent contamination (iii) infrastructure for solvent recovery and effluent treatment is mandatory due to environmental regulations.

Stringent Quality and Process Validation Requirements

There are stringent quality and process validation requirements and API intermediates must (i) maintain high purity levels (often >99%) as any impurity can impact the final drug formulation (ii) comply with ICH Q7 guidelines (Good Manufacturing Practice for APIs) is mandatory for exports, (iii) have quality control processes, such as HPLC, GC-MS, and stability studies and (iv) any deviation in quality can lead to product rejections and bans by regulatory authorities.

Dependence on Imported Raw Materials and Supply Chain Risks

China supplies 60–70% of key raw materials (KSMs) and intermediates used in API production in India. Price fluctuations and trade restrictions on Chinese imports create uncertainties for manufacturers. Government initiatives like the Production-Linked Incentive (PLI) scheme aim to reduce dependence, but setting up new KSM manufacturing units takes years.

Environmental and Compliance Challenges

API intermediate production generates hazardous waste and effluents, requiring strict environmental controls. Compliance with India’s Pollution Control Board (PCB) norms and international environmental regulations is mandatory. Several API plants have faced temporary shutdowns due to non-compliance with effluent discharge norms. Setting up zero-liquid discharge (ZLD) systems and effluent treatment plants (ETPs) adds to operational costs for new entrants.

Price Pressure and Competition from China

Chinese manufacturers offer API intermediates at lower prices, making it difficult for Indian firms to compete, especially in unregulated markets. Price volatility in raw materials affects profit margins, especially for new entrants without economies of scale.

Further, for the Indian specialty chemical industry, according to CARE:

Complex manufacturing process

The production of specialty chemicals involves intricate chemical synthesis, purification, and formulation techniques. Additionally, high R&D costs for developing new products and maintaining compliance with evolving regulations make it difficult for new entrants. Indian specialty chemical manufacturers that invest heavily in R&D, such as Aarti Industries and PI Industries, have an edge over smaller players.

Stringent vendor approval process

Many specialty chemicals are used in regulated industries such as pharmaceuticals, agrochemicals, and electronics. The approval process for suppliers is stringent and can take months to years, depending on the industry and regulatory requirements. For instance, securing a vendor position with global pharmaceutical companies requires compliance with Good Manufacturing Practices (GMP) and regulatory approvals from agencies like the US FDA, making it difficult for new entrants.

Supplier customer relationship

Long-term contracts and established relationships are common in this industry, as customers prefer reliable and consistent suppliers. The switching cost for customers is high due to the need for product validation and regulatory approvals. Established players like SRF and Navin Fluorine benefit from these strong relationships.

Stringent quality requirement

Specialty chemicals must meet high standards of purity, performance, and environmental safety. Compliance with regulations such as India's EIA (Environmental Impact Assessment), REACH (for exports to Europe), and US EPA standards further increases entry barriers. Any new entrant must set up advanced testing and quality control systems, adding to the initial investment burden. 26 28 31 33 35-40 60-65 2020 2021 2022 2023 2024P 2029P (USD Billion)

These factors act as significant entry barriers for our competitor suppliers of similar products.

Experienced Promoters with domain knowledge

Bipin Kantilal Patel, our Managing Director and one of our Promoters, is one of the founders of our Company, and was instrumental in envisioning the business. He holds a master's degree in science (organic chemistry) from Maharaja Sayajirao University of Baroda. He commenced the business of manufacturing chemical compounds in 2003, with the establishment of M/s Allchem Laboratories, a proprietorship. He has 23 years of experience in the pharmaceutical industry having commenced his journey in 1995 Rubamin Pharmaceuticals (a division of Rubamin Limited). He was also associated with Parekh Laboratories Limited. He has since inception focused on product development and has been actively involved in the development of our entire product bouquet. Bipin Kantilal Patel continues to oversee the product development division of our Company along with process development and the overall manufacturing operations of our Company with a focus on quality assurance and control and sustainable operations.

Kantilal Ramanlal Patel, one of our Promoters and our Whole-time Director (Technical), holds a bachelor's degree in mechanical engineering from Sardar Patel University and has core experience of engineering processes and focuses on plant design and equipment installation. Kantilal Ramanlal Patel has over 45 years of experience of which he was associated with Gujarat Alkalies and Chemicals Limited for over 3 decades where he rose from junior engineer before retiring as an Additional General Manager. He joined M/s Allchem Pharmaceuticals in 2013 and has been on the Board of Directors of our Company since inception. Aditi Patel is a doctor by education, having completed her bachelor's degree in medicine and surgery (MBBS) from Maharaja Sayaji Rao University of Baroda. She is actively involved in marketing and represents our Company at various conventions on pharmaceutical ingredients (CPhI) with a special focus on the export market.

Our Promoters are ably supported by our management team's collective experience and capabilities which enables us to understand and anticipate market trends, develop new chemistries, manage our business operations and growth, leverage customer relationships, and respond to changes in customer preferences. Our management team continues to focus on production, marketing and new growth areas. We believe that the knowledge and experience of our Promoters, along with team of skilled personnel, provides us with a significant competitive advantage, as we seek to expand our production capacities and product portfolio, in our existing as well as new markets.

Track record of consistent financial performance and growth

We have demonstrated consistent growth in our financial performance across parameters. Our revenue from operations has grown at a CAGR of 12.75% between Fiscal 2022 and Fiscal 2024. Our revenue from operations during the 6 month period ended September 30, 2024, and during Fiscal 2024, Fiscal 2023 and Fiscal 2022, was ₹ 784.48 million, ₹ 1,374.21 million, ₹ 1,057.19 million and ₹ 1,081.01 million Further, our profit after tax (**PAT**) has grown at a CAGR of 28.67% from March 31, 2022 to March 31, 2024. Our profit after tax for 6 month period ended September 30, 2024, and for Fiscal 2024, Fiscal 2023 and Fiscal 2022, was ₹ 108.91 million, ₹ 234.09 million, ₹ 179.89 million and ₹ 141.39 million, respectively.

Set out below are some of our key financial metrics during the 6 month period ended September 30, 2024, and during Fiscal 2024, Fiscal 2023 and Fiscal 2022.

Particulars	6 month period ended September 30, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
Revenue from operations(i) *(₹ million)*	784.48	1,374.21	1,057.19	1,081.01
Growth in Revenue from Operations(ii) (%)	NA	29.99	(2.20)	17.27

Particulars	6 month period ended September 30, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
CAGR of revenue from operations(iii) (%)		12.75		
EBITDA(iv) *(₹ million)*	321.58	522.90	304.42	249.17
CAGR of EBITDA(v)		44.86		
EBITDA Margin(vi) (%)	40.99	38.05	28.80	23.05
Profit After Tax(vii) *(₹ million)*	108.92	234.09	179.89	141.39
Profit After Tax Margin(viii) (%)	13.88	17.03	17.02	13.08
Total Borrowings(ix)	1,068.96	1,049.66	971.70	495.33
Net Worth(x)	907.43	798.89	564.92	385.76
Return on Equity(xi) (%)	12.77*	34.33	37.84	48.69
Return on Capital Employed(xii) (%)	10.90*	22.87	23.49	35.76
Debtors turnover ratio(xiii)	2.36*	5.80	4.66	4.19
Inventory Turnover Ratio(xiv)	0.93*	2.96	3.49	5.44
Debt Service Coverage Ratio(xv)	5.40	5.62	5.44	3.62
Net Debt to Equity(xvi) (x)	1.18	1.31	1.72	1.28
Interest coverage ratio(xvii)	4.32	6.06	15.26	6.93
Debt equity ratio(xviii)	1.18	1.31	1.72	1.28

** Not annualised*

i. Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Information

ii. Revenue Growth (%) is calculated as Revenue from operations for the current year minus Revenue from operations for the previous year as a % of Revenue from operations for the previous year.

iii. CAGR of Revenue from Operations is calculated as Revenue from Operations as on March 31, 2024 divided by Revenue from Operations as on March 31, 2022 ^ ½ - 1. ½ is no. of periods

iv. EBITDA is calculated as Profit before tax for the year, plus finance costs and depreciation and amortisation expenses, less other income

v. CAGR of EBITDA is calculated as EBITDA for the year ended March 31, 2024 divided by EBITDA for the year ended March 31, 2022 ^ ½ - 1. ½ is no. of periods

vi. EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations

vii. Profit after tax (PAT) refers to Restated Profit/(Loss) for the year from Continuing Operations as appearing in the Restated Financial Information

viii. PAT Margin (%) is calculated as Profit for the year as a percentage of Revenue from Operations

ix. Total Borrowings is calculated as Non-current Borrowings plus Current Borrowings

x. Networth is calculated as Total Equity plus Reserves

xi. ROE is calculated as Restated Profit attributable to owners of the Company divided by Average Equity for the year. Average Equity is calculated as average of the total equity at the beginning of the year and at the end of the year.

xii. RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Average Capital Employed. EBIT is calculated as Profit before tax plus finance costs. Average Capital Employed is calculated as average of the capital employed at the beginning of the year and at the end of the year. Capital Employed is sum total of Tangible Net Worth excluding Goodwill and Intangible Assets and Total Debt.

xiii. Debtors Turnover Ratio is calculated as Revenue from Operations divided by Average Trade Receivables.

xiv. Inventory Turnover Ratio is calculated as Cost of Goods Sold divided by Average Inventory
Cost of Goods Sold is calculated as Cost of Materials consumed plus Purchases of Traded Goods plus Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress.
Average Inventory is calculated as average of the inventory at the beginning of the year and at the end of the year.

xv. Debt Service Coverage Ratio is calculated as Adjusted Profit divided by Interest Cost on borrowings and Principal Repayments.
Adjusted Profit is calculated as Profit before tax for the year plus depreciation and amortisation expenses plus

finance costs.

xvi. *Net Debt to Equity is Net Debt divided by Total Equity Net Debt is total of Current borrowing and non-current borrowing minus total cash and cash equivalents.*

xvii. *Interest Coverage Ratio is calculated as EBIT (including other income) divided by Interest*

xviii. *Debt equity ratio is calculated as total borrowings divided by Shareholder Equity*

For reconciliation in relation to the Gross Profit, Gross Margin, EBITDA, EBITDA Margin, Return on Equity, Return on Capital Employed, PAT Margin and Gross Fixed Asset Turnover Ratio, see 'Other Financial Information' on page 355.

OUR STRATEGIES

Augmenting and diversifying our saleable product bouquet while improving production efficiencies

Our focus in the initial days of our operation was to develop products of varying chemistries. We test our chemistries thoroughly in our pilot plant before we commence commercialisation of any product. After the product has been successfully manufactured at the pilot level, and once the product attains our expected threshold of stable customer demand we commence active manufacturing of the product. This has been our strategy since inception which has served us well and led to a bouquet of 263 products, as of December 31, 2024. Our Company's focus is to continuously work towards expanding and building a bigger portfolio of saleable products without comprising on profitability. To this end, we have increased our total equipment capacity significantly from 173.50 KL as on March 31, 2022 to 1,133.50 KL as December 31, 2024. Set out in the table below are details of capital expenditure during the 6 month period ended September 30, 2024, and during Fiscal 2024, Fiscal 2023 and Fiscal 2022.

Particulars	For the 6 month period September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (*in ₹ million*)	As a % of revenue from operations	Amount (*in ₹ million*)	As a % of revenue from operations	Amount (*in ₹ million*)	As a % of revenue from operations	Amount (*in ₹ million*)	As a % of revenue from operations
Capital expenditure	102.93	13.12%	422.45	30.74%	740.06	70.00%	367.29	33.98%

Out of the total products sold by us, we have identified 48 products (out of the 263 products developed) which we believe have the potential to be commercialised based on feedback received from our customers. One of the key areas we have identified for augmenting our base of saleable products is by focusing on improving our production efficiencies. We are evaluating consolidating different blocks of plants to a set of intermediates speciality chemicals or for the process of custom synthesis of a particular molecule depending upon the capacity of the reactor and the suitability of the reactor to the chemistry proposed. We believe that this approach will enable a more systematized and focussed production process and also improve our production timelines.

Increasing our contract manufacturing and custom synthesis portfolio

According to the CARE Report, custom synthesis refers to the process of designing and manufacturing molecules tailored to specific customer requirements, which includes developing new compounds, modifying existing ones, and scaling up production. In custom synthesis the product is developed and customized by our Company, including the process know-how and technical specifications, which are developed in-house by us. An additional facet of our focus on developing new chemistries is that it strengthens our custom synthesis capabilities. According to the CARE Report, as the pharmaceutical and biotech industries grow, the demand for custom synthesis services is expected to grow accordingly.

According to the CARE Report, contract manufacturing entails the development of a product under confidentiality for a single customer using the process know-how and the technical specifications provided by the customer.

According to the CARE Report, the rising demand for pharmaceuticals in global and emerging markets, combined with many economies lacking the infrastructure and skills to produce Active Pharmaceutical Ingredients (APIs), positions India as an ideal hub for contract manufacturing and outsourcing. One of the additional facets of our focus on developing new chemistries is that it bolsters our custom synthesis capabilities. As the pharmaceutical and biotech industries grow, the demand for custom synthesis services is expected to grow accordingly.

According to the CARE Report, India's low production costs, skilled workforce, and robust regulatory framework make it a preferred alternative to China. By leveraging this strategy, Indian pharmaceutical companies can enhance their global presence, foster innovation through international partnerships, and benefit from increased foreign direct investment (**FDI**).

Our approach to contract manufacturing is to first engage with selective existing customers and their products and then eventually take in new customers. We believe that the contract manufacturing business will strengthen our relationship with our existing customers and also provide an opportunity to garner new customers. We aim to increase the size and scale of our contract manufacturing business.

Improving the debt profile of our Company

We have entered into various financing arrangements from time to time, with various lenders. The financing arrangements availed by our Company include inter alia term loans and working capital facilities. For further details, see *'Financial Indebtedness'* on page *357*. As of February 28, 2025, our total sanctioned was ₹ 1,584.90 million and our outstanding balance of our fund based borrowings, including secured and unsecured borrowings (long term and short term, but excluding vehicle loans) was ₹ 1,317.41 million, respectively. Set out in the table below is our debt equity ratio as on September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022.

Particulars	As on			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Debt equity ratio*	1.18	1.31	1.72	1.28
Debt service coverage ratio	5.40	5.62	5.44	3.62
RoCE#	10.90%^	22.87%	23.49%	35.76%

* *Debt equity ratio is calculated as Total Borrowings divided by Shareholder Equity.*
** *Debt service coverage ratio is calculated as Adjusted Profit divided by term loan repayment due within one year and interest on term loan.*
# *RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Average Capital Employed. EBIT is calculated as Profit before tax plus finance costs.*
^ *not annualised*

Our Company proposes to utilize an estimated amount of ₹ 1,300.00 million from the net proceeds towards full or partial repayment or pre-payment of certain borrowings availed by our Company. We expect that such repayment/pre-payment will help reduce our outstanding indebtedness and debt servicing costs, in turn improving our RoCE and also enable utilization of our internal accruals for further investment in our business growth and expansion. Additionally, we anticipate that our improved financial leverage will enhance our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

Growing our export book

As per CARE report, India's growth in API and API intermediates exports has grown steadily over the recent years. India's exports grew at 4.1% CAGR from FY19 to FY24 reaching $4.8 billion compared in FY24. This growth is driven by India's rising capabilities in chemical synthesis, government initiatives like the PLI scheme, reduced dependency on China, cost-efficiency, and advanced R&D infrastructure. The specialty chemicals segment stands out as one of the fastest-growing areas in Indian manufacturing, driven by rising demand from various end-user sectors, supportive government policies, an expanding domestic customer base, and shifts in consumer lifestyles. It also plays a crucial role in exports, accounting for over 50% of the chemical exports. Key sub-segments, including dyes, pigments, and pharmaceutical active pharmaceutical ingredients (APIs), continue to lead in driving export growth.

Our Company continues to focus on growing sales to the export market. As of December 31, 2024, we are catering to customers across 13 states in India and 22 countries overseas covering regions consisting of Asia, Europe, USA and others.

The tables below set out the number of our export customers and our revenues from exports for the 6 month period ended September 30, 2024, and during Fiscal 2024, Fiscal 2023 and Fiscal 2022, based on our Restated Financial Statements.

Particulars	For the 6 month period September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
No. of export customers	45	66	76	64

Particulars	For the 6 month period September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (*in ₹ million*)	As a % of revenue from operations	Revenue (*in ₹ million*)	As a % of revenue from operations	Revenue (*in ₹ million*)	As a % of revenue from operations	Revenue (*in ₹ million*)	As a % of revenue from operations
Export	164.17	20.93	545.35	39.68	422.79	39.99	520.45	48.14

Also, according to the CARE report, India is third largest exporter of pharmaceutical products globally, known primarily for its generic medicines. The country's exports reached USD 22 billion in Fiscal 2024 clocking around 12% over Fiscal 2023, contributing significantly to the global supply chain. Competitive pricing, a robust manufacturing base, and compliance with international regulatory standards are key factors driving the growth of pharmaceutical exports from India. The North American region, particularly the United States is the largest importer of Indian Pharmaceutical products, accounting for more than 30% of India's pharma exports. Other major markets include the European Union, Africa, Southeast Asia, and Latin America.

To tap the international markets, our Company, among other marketing, participates in various Pharmaceutical Exhibition, which are organised in countries like India, Germany, Italy, Japan, etc. and is attended by many global pharmaceutical businesses. Besides, our marketing team is constantly reaching out to new and the existing customers across the globe, for developing new chemistries and adding new products. Further, with the capacity expansion, we believe our Company has sufficient space to cater the existing and new export orders, in time and with a competitive pricing, without affecting the domestic business. Accordingly, our Company intends to increase its focus in increasing its export share in Asia (outside India) and also focusing on entering new export markets in Europe and South America.

BUSINESS OPERATIONS

Manufacturing facility, plant and equipment

Our Manufacturing Facility is located at Block No: - 1088/B/P,1088-A, Lamdapura Road, Village Manjusar, Tal-Savli, Vadodara, Gujarat, India, 391775.


Production Plant
Quality Control
Utility

Our Manufacturing Facility has14 plants comprising various equipment. Set out in the table below are details of our key equipment and the increase in the number of equipment and our capacity.

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Period	Description	SS Reactor	GL Reactor	Hydrogenater	High Vacuum Distillation Unit	HDPE Scrubber	SS Centrifuge	Powder Processing Equipment's	SS Liquid Blender	SS Scrubber	ANF SS	AND SS	Total (Equipment in nos. / Capacity in KL)
As of March 31, 2022	Equipment (Nos.)	20.00	8.00	3.00	16.00	3.00	9.00	27.00	5.00	4.00	-	-	95.00
	Volume (KL)	87.00	33.00	7.00	14.00	12.00	-	-	8.50	12.00	-	-	173.50
As of March 31, 2023	Equipment (Nos.)	48.00	8.00	3.00	33.00	12.00	13.00	27.00	10.00	11.00	5.00	6.00	176.00
	Volume (KL)	294.60	33.00	7.00	30.00	52.00	-	-	23.10	33.00	17.00	22.00	511.70
As of March 31, 2024	Equipment (Nos.)	65.00	33.00	14.00	33.00	18.00	23.00	28.00	11.00	21.00	5.00	12.00	263.00
	Volume (KL)	306.00	143.00	60.00	30.00	78.00	-	-	29.50	63.00	17.00	40.00	766.50
As of September 30, 2024	Equipment (Nos.)	81.00	45.00	14.00	33.00	18.00	27.00	28.00	11.00	27.00	7.00	16.00	307.00
	Volume (KL)	433.00	218.00	60.00	30.00	78.00	-	-	29.50	81.00	27.00	60.00	1,016.50
As of December 31, 2024	Equipment (Nos.)	96.00	53.00	14.00	33.00	21.00	31.00	28.00	11.00	31.00	7.00	20.00	345.00
	Volume (KL)	478.00	249.00	60.00	30.00	91.00	-	-	29.50	93.00	27.00	76.00	1,133.50

* *As certified by A.Y. Chippa, Independent Chartered Engineer, pursuant to certificate dated March 10, 2025.*

Notes: SS – Stainless Steel; GL – Glass lined; HDPE – High density polyethylene; ANF – Agitated Nutsche Filter; AND – Agitated Nutsche Dryer

__Installed capacity and capacity utilisation__

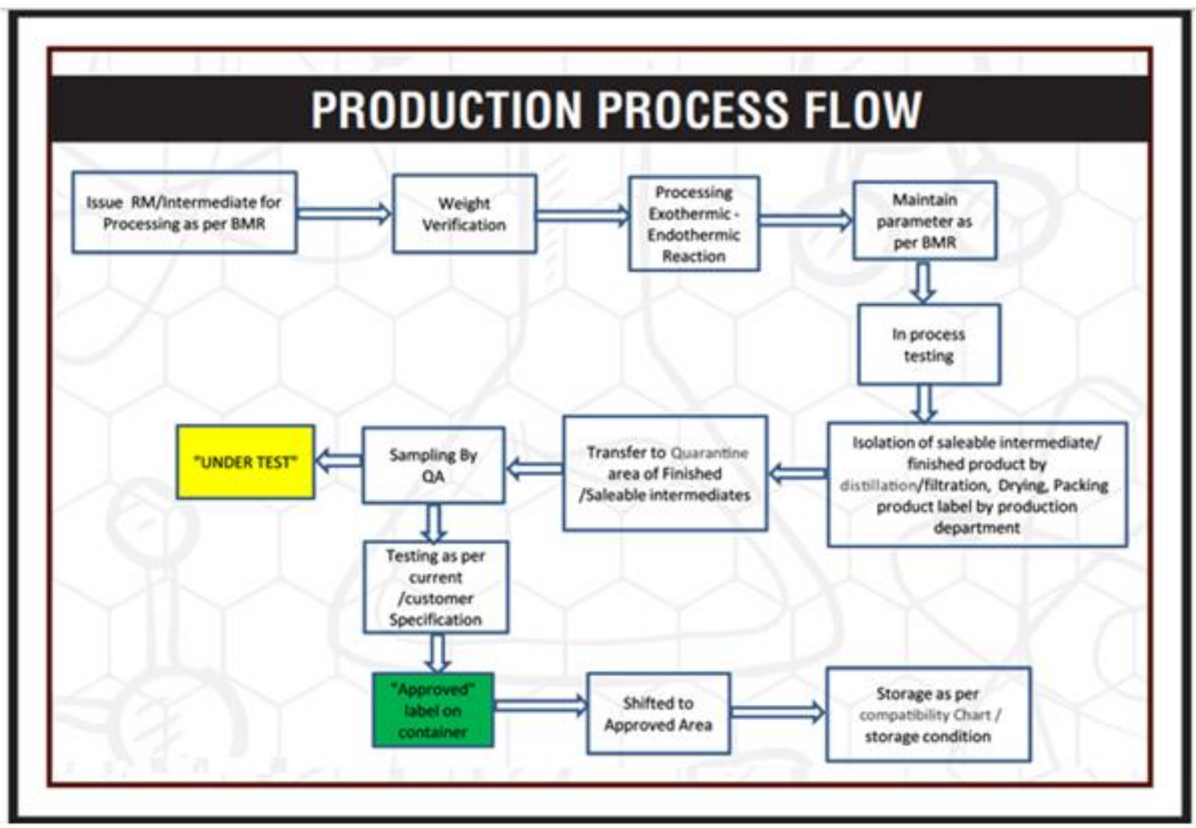
Set out below are the installed capacity and actual production details of our Manufacturing Facility as on December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.

Particulars	**As on**			
	December 31, 2024	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
Installed capacity (in Tonn)	495*	660	660	660
Actual production (in Tonn)**	474.47	527.24	421.18	502.74
Capacity utilisation (%)***	95.85%	79.88%	63.82%	76.17%

As certified by A.Y. Chippa, Independent Chartered Engineer, pursuant to certificate dated March 10, 2025.
** The total installed capacity for the year is 660 MT hence monthly capacity is 55 MT and December 31, being 9 months accordingly installed capacity for 9 months work out to be 495 MT.*
*** Actual Production taken form the GPCB return filled by the company every month*
**** The approved installed capacity of the company has increased from 55 MTPM to 180 MTPM with effect from January 16, 2025 and accordingly the Company will be able to scale up the business operations by utilising the additional capacity.*

Production Process

Our production process involves complex chemistries and the steps involved and the materials used vary depending on the nature of the product being manufactured. The flowchart below, though, sets out the broad contours of a generalised production process for our products.



Note: BMR - Batch Manufacturing Record
QA – Quality Assurance

The production process for each compound (product) varies in terms of the raw materials used, the temperature range, the nature of the reaction undertaken etc. The specific detailed process involved in the production of any compound is set out in the batch manufacturing record (**BMR**). The production / factory supervisor and our quality assurance team ensures that the production is in accordance with the BMR for the specific compound that is being manufactured.

The production process begins with ensuring that the raw materials, and the specific quantities used, are in accordance with the BMR. The weight of the raw materials is verified and the requisite quantity of raw materials is fed into the appropriate reactor through stainless steel pipes.

The reactors are where the chemical synthesis occurs. Chemical synthesis involves either an endothermic reaction (i.e. a reaction in which heat is absorbed during the process) or exothermic reaction (i.e. a reaction where heat is released during the process). During chemical synthesis an 'in-process testing' is undertaken to ensure that the process conforms to all necessary parameters. Chemical synthesis i.e. the reaction results in the creation of (i) intermediate products (which are also saleable) which are then, depending on the nature of the compound being produced, subject to either distillation or filtration which results in the finished product. The finished product is subjected to drying and, thereafter, the product is packed and the packets are labelled.

The packaged product is sent to the quarantine area where it is then subject to sampling by our quality assurance department. Thereafter, the products are tested to ensure that they meet prescribed parameters or the parameters that have been specified by the customers. Products that are compliant with prescribed or customer specified parameters are moved to the approved area and, thereafter, moved to the storage area. The manner of storage of compounds may differ depending on the nature of the compound and the storage is in accordance with our Company approved compatibility chart, or storage conditions that are specified by our customers.

Raw materials and vendors

Our key raw materials are chemicals such as Piperazine Anhydrous, Benzyl acetone, 2-(2-Chloroethoxy) ethanol, 2-Chloroethylamine hydrochloride, 70% aqu. Soln, 4-Chlorobutyryl Chloride, Phosphorus oxychloride, Bis(2-Chloroethylamine) hydrochloric acid, 2-Diisopropylaminoethyl chloride Hydrochloride, (3,4-Dimethoxy phenyl) Acetonitrile, 1-Bromo-3-Chloropropane, 2,3-Dichloroaniline, 2,5-Dichloronitrobenzene and various other Chemicals.

We procure our raw materials from vendors with whom we have established a consistent working relationship. The raw materials are procured on the basis of purchase orders that we place on such vendors.

Set out in the table below are details of our top 3, top 5 and top 10 vendors in the 6 month period ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022.

Particulars	**6 months ended September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Amount (in ₹ million)	**As a % of cost of materials consumed**	**Amount (in ₹ million)**	**As a % of cost of materials consumed**	**Amount (in ₹ million)**	**As a % of cost of materials consumed**	**Amount (in ₹ million)**	**As a % of cost of materials consumed**
Top 3 vendors	96.51	21.08	180.91	24.36	146.08	23.05	119.15	17.42
Top 5 vendors	145.25	31.73	255.27	34.37	202.19	31.90	181.88	26.59
Top 10 vendors	228.53	49.93	373.84	50.33	313.61	49.48	287.35	42.00

Set out below are the names of our top 10 vendors (*in alphabetical order based on consent received*).

Sr. No.	For the 6 month period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
1.	Ankita Chemical Corporation	Ankita Chemical Corporation	Best Value Chem Pvt Ltd	Aether Industries Limited
2.	Best Value Chem Pvt. Ltd.	Best Value Chem Pvt. Ltd.	Diamines and Chemicals Ltd.	Ankita Chemical Corporation
3.	Credence Chem Pvt. Ltd.	Vendor 3	Oswal Chemicals	Best Value Chem Pvt Ltd
4.	Vendor 4	Jay Chem Marketing	Vendor 4	Oswal Chemicals
5.	Oswal Chemicals	Oswal Chemicals	Shree Ganesh Chemicals	Valeshvar Bio-Tech
6.	PAB Organics Pvt. Ltd.	Transpek Industry Ltd.	Transpek Industry Limited	Vendor 6
7.	Shree Ganesh Chemicals	Valeshvar Bio-Tech	Viswaat Chemicals Ltd.	Vendor 7
8.	Valeshvar Bio-Tech	Viswaat Chemicals Ltd.	Vendor 8	Vendor 8
9.	Vendor 9	Oswal Chemicals	Vendor 9	Vendor 9
10.	Vendor 10	Vendor 10	Vendor 10	Vendor 10

Quality Assurance and Quality Control

Our quality assurance (**QA**) department has put in place detailed standard operating procedures (**SOP**) for our manufacturing operations. The QA department has identified specifications for various aspects of our manufacturing such as raw materials, intermediates, in-process analysis and finished products and their test methods, in line with our established SOPs and customer requirement. The QA department is also responsible for ensuring that ensuring that our manufacturing operations are undertaken in line with the accreditations received such as ISO 9001-2015, ISO 14001-2015 and ISO 45001-2018 for the development, manufacture and sale of organic fine chemicals and pharmaceutical intermediates. Further, it is responsible for supervising manufacturing operations from dispensing raw materials to packing materials to completion of each batch of products. The QA department also conducts internal audits as part of our self-inspection program to ensure compliance of current GMP standards and also undertakes vendor audit.

Our quality control (**QC**) department focusses on ensuring that our finished products comply with customer requirements and specifications or in accordance with prevalent standards. To this end, it undertakes spot checks of raw materials, in-process and finished product testing to ensure method validation, impurity isolation. These tests also enable us to evaluate the physico-chemical properties of our products. The QC department undertakes stability studies and also uses thin layer chromatography (a method of separating components in a non-volatile mixtures), moisture analysis using Karl Fischer's instrument, gas chromatography mass spectrometry (an analytical method of identifying different substances within a sample).

Sales and logistics

Our sales and logistics are an integral part of our operations and are key elements of ensuring timely delivery and customer satisfaction and retention. We rely on direct sales, which is handled by our in-house marketing team which actively interacts with our customers. Our sales team frequently engages with customers to better understand their requirements and also facilitates visits for our existing and potential customers to our manufacturing facilities. It also works in coordination with our production and technical teams, in particular for custom synthesis. Further, the sales team engages in continuous market analysis, managing inventory holdings and leveraging our production capabilities to streamline operations. We rely on third party logistics providers for transportation and distribution of our products across India and with agents for exports. The sales team is charged with the responsibility of building and maintaining strong relationships with key suppliers, customers and other stakeholders. By aligning these aspects, our Company ensures to have positive impact on the business and market share.

Customers

Our business caters to both domestic and international customers, and the table below sets out the break-up of our revenues from our domestic and international sales during the 6 month period ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, based on our Restated Financial Statements.

Particulars	**For the 6 month period ended September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue (*in ₹ million*)	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**
India	617.34	78.69	820.81	59.73	627.15	59.32	550.44	50.92
Export	164.17	20.93	545.35	39.68	422.79	39.99	520.45	48.14
Total*	**781.51**	**99.62**	**1,366.16**	**99.41**	**1,049.95**	**99.31**	**1,070.88**	**99.06**

** does not include other operating income forming part of the Revenue from Operations.*

Set out below are details of our top 10 customers (*in alphabetical order based on consents received*) based on our revenue from operations according to our Restated Financial Statements.

Sr. No.	**For the 6 month period ended September 30, 2024**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
1.	Alembic Pharmaceuticals Limited	Alembic Pharmaceuticals Limited	Alembic Pharmaceuticals Limited	Hattori Corporation
2.	Cohance Life Sciences Limited	Hattori Corporation	Hattori Corporation	Customer 2
3.	Huaian Jiamu Biotechnology Co., Limited	Customer 3	Huaian Jiamu Biotechnology Co., Limited	Neuland Laboratories Limited
4.	Megafine Pharma (P) Ltd.	Unichem Laboratories Ltd	Moehs Cantabra, S.L.	Unichem Laboratories Ltd
5.	Unichem Laboratories Ltd	Customer 5	Neuland Laboratories Limited	Customer 5
6.	Customer 6	Customer 6	Unichem Laboratories Ltd	Customer 6
7.	Customer 7	Customer 7	Customer 7	Customer 7
8.	Customer 8	Customer 8	Customer 8	Customer 8
9.	Customer 9	Customer 9	Customer 9	Customer 9
10.	Customer 10	Customer 10	Customer 10	Customer 10

Information technology

Our IT systems are vital to our business, and we have adopted standard operating procedures for all our specified departments to assist us in our operations. We have implemented various IT solutions and ERP software solutions to cover key areas of our Company viz. production, finance, sales, marketing, logistics, purchase and inventory, across our Manufacturing Facility. The key function of our IT team is to oversee various aspects including establishing and maintaining enterprise information systems and infrastructure services to support our business requirements and maintaining secure enterprise operations. Our Company has implemented licensed solutions for our external communication i.e. for its electronic mail and similar communication. Our IT systems are also essential in maintaining confidentiality of electronic data, maintaining critical equipment, system designs, retrieval of critical data etc and we have a Board policy for the preservation of records.

In addition, we have implemented a quality control laboratory information management system to assist management and safeguarding our laboratory processes that allows for paperless operations and digital information flows. Information security is one of the key focus areas catering to risk assessment and cybersecurity. We have developed standard operating procedures for data recovery in case of a disaster including regular backups. Further we continually seek to identify areas where systems upgrades are required to ensure business continuity.

Health, safety and environment

Our Company considers the health, safety and well-being of its employees and concern for the environment as the cornerstones of our policy and practices for a sustainable and profitable growth. We are committed to complying with applicable legislations and regulations. In addition, to the extent practicable, we continuously aim to improve our performance in the areas of safety and environment, through appropriate measures to limit and where possible prevent risks and damages to personnel, property and environment.

Our Manufacturing Facility is a zero liquid discharge (**ZLD**) facility. Our Company is also a member of an integrated common solid/hazardous waste management facility. For details of our environmental approvals please see *Government Approvals* on page 404. We also periodically conduct safety audits and carry out risk assessment.

Human Resources

As on December 31, 2024, we had 430 permanent employees. Set out below is a break-up of our employees based on their function.

Particulars	Number of employees
Accounts & Finance	7
Analytical Development Lab	13
EHS	26
Engineering	67
HR Department	3
Housing & Security	18
Marketing	2
Production	214
Purchase	4
QA QC	26
R&D	25

Particulars	Number of employees
Warehouse	25
Total	**430**

As on December 31, 2024, we do not have any employees engaged on a contractual basis.

Insurance

We maintain insurance coverage that is customary in our industry, including the terms of and the coverage provided by such insurance. We maintain insurance cover for standard fire and special perils, boiler and pressure plant, marine cargo, group personal accident, workmen compensation, public liability (Act) only, etc. Set out below are details of our insurance coverage.

(Amount in ₹ millions, unless specified otherwise)

Particulars	As at 6 month period September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Insurance coverage* (A)	2,034.37	1,203.23	505.34	405.10
Net assets** as per Restated Financial Statements (B)	1,835.27	1,645.46	869.37	269.66
Insurance coverage times the net assets (A/B)	1.11	0.73	0.57	1.50

** Insurance coverage = Total insurance coverage amount by considering insurance policies of property, equipments, vehicles, stock, erection and all risk insurance*
***Net assets = Net block of property (excluding land value, capital work in progress & books), plant and equipment (excluding land value, capital work in progress & books) + Inventories.*

Property

Our Company owns the land on which our Manufacturing Facility is situated at Block No. 1088/B/P, Lamdapura Road, Vill. Manjusar, Tal. Savli, Dist. Vadodara 391 775.

Additionally, we have taken property located at Block No. 10, Moje Village Paldi, District Vadodara, Gujarat which is opposite the Company's factory on lease from Avon Engineering, a sole proprietorship of Kantilal Ramanlal Patel, one of our Promoters. The lease is valid up to March 5, 2034.

Intellectual Property

Our Company has made an application (bearing no. 6658835) dated October 7, 2024, under Class 1 for the following trade mark (device).

The application is pending.

Competition

We operate in an extremely competitive industry and we face intense competition from a number of listed and unlisted Indian companies. Some of our competitors include Ami Organics Limited, Aether Industries Limited, Concord Biotech Limited, Chandak Laboratories Private Limited, Catapharma Chemicals Private Limited and Kronox Lab Sciences Limited. For further details, see *'Basis for the Offer Price - Comparison of accounting ratios with listed industry peers'* on page 112.

Corporate Social Responsibility

We are committed to responsible and sustainable growth. We have set up a Corporate Social Responsibility (**CSR**) Committee which oversees our CSR activities and compliance. In terms of our CSR Policy, we focus on health and education, and we also contribute to the PM Care Fund. In the 6 month period ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022, we spent ₹ 2.67 million, 0.86 million, ₹ 0.91 million and ₹ 0.15 million on CSR activities, in compliance with applicable law.

KEY REGULATIONS AND POLICIES

The following is an overview of certain sector-specific relevant laws and regulations which are applicable to the business and operations of our Company. The information detailed in this section has been obtained from various statutes, regulations and/or local legislations and the bye laws of relevant authorities that are available in the public domain. The description of laws and regulations as set out below is not exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by subsequent legislative and regulatory actions, administrative or judicial decisions. For details of government approvals obtained by our Company in compliance with these regulations, see 'Government and Other Approvals' on page 404.

Business Related Laws

Factories Act, 1948

The Factories Act, 1948 (**Factories Act**) defines a 'factory' to cover any premises which employs 10 or more workers and in which manufacturing process is carried on with the aid of power and any premises where there are at least 20 workers, even while there may not be an electrically aided manufacturing process being carried on. State Governments have the authority to formulate rules in respect of matters such as prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. It provides such safeguards of workers in the factories as well as offers protection to the exploited workers and improve their working conditions. The penalties for contravention of the Factories Act include fine and imprisonment for the 'occupier' or 'manager' as defined under the Factories Act, and enhanced penalties for repeat offences and contravention of certain provisions relating to use of the hazardous materials.

Contract Labour (Regulation and Abolition) Act, 1970

Contract Labour (Regulation and Abolition) Act, 1970 (**CLRA Act**) has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA Act applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA Act vests the responsibility on the principal employer of an establishment to which the CLRA Act applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA Act applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The principal employer is under an obligation to provide various facilities as provided under the CLRA Act, within a prescribed time period, in case the contractor does not provide such facilities. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

Drugs and Cosmetics Act, 1940 (the "DCA") and the Drugs and Cosmetics Rules, 1945 (the "DCA Rules")

The DCA regulates the import, manufacture, distribution and sale of drugs and cosmetics and prohibits the import, manufacture and sale of certain drugs and cosmetics which are, inter alia, misbranded, adulterated, spurious or harmful. The DCA and DCA Rules specify the requirement of a license for the manufacture or sale of any drug or cosmetic including for the purpose of examination, testing or analysis. It further mandates that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authorities. Any violations of the provisions of the DCA, including those pertaining to the manufacturing and import of spurious drugs, non-disclosure of specified information and a failure to keep the required documents are punishable with a fine, or imprisonment or both. The DCA Rules lay down the functions of the central drugs laboratory established under Section 6 of the DCA. Under the DCA Rules, an import license is required for importing drugs. The form and manner of application for import license has also been provided under the DCA Rules.

The Petroleum Act, 1934 and Petroleum Rules, 2002

The Petroleum Act, 1934 (**Petroleum Act**) was passed to consolidate and amend the laws relating to the import, transport, storage, production, refining and blending of petroleum. Under the Petroleum Rules, 2002, any person intending to store furnace oil/ petroleum, of such class and in such quantities, otherwise than under a licence shall take the approval of the Chief Controller before commencing storage.

The Narcotic Drugs and Psychotropic Substances, Act, 1985 and the Narcotic Drugs and Psychotropic Substances (Regulation of Controlled Substances) Order, 2013

The Narcotic Drugs and Psychotropic Substances, Act, 1985 (**NDPS Act**) is a legal framework which seeks to control and regulate operations relating to narcotic drugs and psychotropic substances. It prohibits, *inter alia*, the production, manufacture, possession, sale, purchase, transportation, warehousing, consumption, inter-state movement, transhipment and import and export of narcotic drugs and psychotropic substances, except for medical or scientific purposes, and in the manner and to the extent permissible by the NDPS Act or any rules framed thereunder. It also controls and regulates controlled substances which can be used in the manufacturing of narcotic drugs and psychotropic substances. Offences under the NDPS Act are essentially related to violations of the various prohibitions imposed under the NDPS Act, punishable by both imprisonment and monetary fines. The Narcotic Drugs and Psychotropic Substances (Regulation of Controlled Substances) Order, 2013 (**NDPS Order**) classifies certain substances including, acetic anhydride and anthranilic acid as “controlled substances” in Schedule A of the NDPS Order. The NDPS Order requires for every person on entity who is engaged in the manufacturing, trade, possession and consumption of the “controlled substances” classified under Schedule-A of the NDPS Order to obtain a unique registration number issued by the Zonal Director of Narcotics Bureau.

The Poisons Act, 1919

The Poisons Act, 1919 was enacted to regulate the import, possession and sale of acids and other corrosive substances in the country wherein the central government controls the imports of such acids and state governments have been authorised to make rules regarding the regulation of the possession and sale within the states’ territory and can impose penalties on contravention of the provisions of the act.

Essential Commodities Act, 1955

The Essential Commodities Act, 1955 (“ECA”) empowers the Central Government, to control production, supply and distribution, trade and commerce in certain essential commodities for maintaining or increasing supplies or for securing their equitable distribution and availability at fair prices or for securing any essential commodity for the defence of India or the efficient conduct of military operations. Using the powers under it, various ministries/departments of the Central Government have issued control orders for regulating production, distribution, quality aspects, movement and prices pertaining to the commodities which are essential and administered by them. The State Governments have also issued various control orders to regulate various aspects of trading in essential commodities such as food grains, edible oils, pulses kerosene, sugar and drugs. Penalties in terms of fine and imprisonment are prescribed under the ECA for contravention of its provisions.

Consumer Protection Act, 2019

The Consumer Protection Act (**CPA**) provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attracts criminal penalties. The CPA introduced a Central Consumer Protection Council to promote, protect and enforce the rights of consumers executive agency to provide relief to a class of consumers. The CPA brought e-commerce entities and their customers under its purview including providers of technologies or processes for advertising or selling, online marketplace or online auction sites. The CPA also provides for mediation cells for early settlement of the disputes between the parties.

Sale of Goods Act, 1930

The Sale of Goods Act governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods

*The Indian Boilers Act, 1923 (**Boilers Act**) and the Indian Boiler Regulations, 1950 (**Boilers Regulations**)*

The Boilers Act *inter alia* provides that no owner of a boiler shall use the boiler or permit it to be used unless it has been registered in accordance with the provisions of this Boilers Act. Under the Boilers Act, "boiler" means a pressure vessel in which steam is generated for use external to itself by application of heat which is wholly or partly under pressure when steam is shut off. The Boilers Act also provides for penalties for illegal use of boilers, penalty for breach of rules and other penalties. The Boilers Regulations provide for inter alia, standard requirements with respect to material, construction, safety and testing of boilers.

The Industries (Development and Regulation) Act, 1951

The Industries (Development and Regulation) Act, 1951 (**Industries Act**) governs the development and regulation of industries in India, and its main objective is to empower the Government to: (i) take necessary steps for the development of industries; (ii) regulate the pattern and direction of industrial development; and (iii) control the activities, performance, and results of industrial undertakings in public interest. The Industries Act is applicable to the 'Scheduled Industries' which have been listed down in the first schedule of the Industries Act. Small-scale industrial undertakings and ancillary units are exempted from the provisions of the Industries Act. The Industries Act regulates the industries by requiring them to obtain industrial licensing by filing an Industrial Entrepreneur Memoranda with the Secretariat of Industrial Assistance, Department of Industrial Policy and Promotion. The Industries Act is administered by the Ministry of Industries and Commerce through its Department of Industrial Policy & Promotion which is responsible for the formulation and implementation of promotional and developmental measures for growth of the industrial sector and also monitors the industrial growth and production, in general, and selected industrial sectors.

Shops and Establishment Legislations

Under the provisions of local shops and establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Our offices are required to be registered under the shops and establishments legislations of the states where they are located.

Legal Metrology Act, 2009

The Legal Metrology Act, 2009 (**Metrology Act**) seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matter's incidental thereto. The Metrology Act, *inter alia*, provides for: (a) regulation of weight or measure used in transaction or for protection; (b) approval of model of weight or measure; (c) verification of prescribed weight or measure by Government approved Test Centre; (d) exempting regulation of weight or measure or other goods meant for export; I nomination of a person by the companies who will be responsible for complying with the provisions of the enactment; and (f) empowering the Central Government to make rules for enforcing the provisions of the enactment. Any non-compliance or violation of the provisions of the Metrology Act may result in, among others, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

Legal Metrology (Packaged Commodities) Amendment Rules, 2017

The Legal metrology (Packaged Commodities) Rules, 2011 (**2011 Rules**) have been amended by the Packaged Commodity Rules, which establish particular guidelines that apply to packages meant for retail sale, wholesale, export, and import of packaged commodities. They also provide for the registration of packers and manufacturers. According to the packaged Commodity Rules, any pre-packaged good sold to citizens for use and consumption must accurately list a number of details, including the ingredients' description and quantity, the manufacturing date, the expiration date (for perishable goods), the weight, any required warnings, the manufacturer's address, the manufacturer's contact information, and additional information about the product's country of origin, customer care information, etc. Furthermore, particular guidelines for online sales of packaged commodities and e-commerce transactions were established by the Legal Metrology (Packaged Commodities) Amendment Rules, 2017. Furthermore, for pre-packed commodities, the Legal Metrology (Packaged Commodities) Amendment Rules, 2021 (2021 Amendment Rules) mandate the required disclosure of the month and year of manufacturing, the maximum retail price (MRP), and the unit sale price in Indian currency. On March 28, 2022, the Legal Metrology (Packaged Commodities) Amendment Rules, 2022 (2022 Amendment Rules) were adopted, amending both the 2011 Rules and the 2021 Amendment Rules.

The 2022 Amendment Rules, among other things, significantly clarify the 2021 Amendment Rules' introduction of the "unit sale price" for pre-packaged commodities.

The Explosives Act, 1884

A complete law that governs the licensing of explosives manufacturing, possession, sale, transportation, export, and import is called the Explosives Act. Any substance, whether a single chemical compound or a mixture of chemicals, whether solid, liquid, or gaseous, used or created with the intention of producing a practical result by explosion or pyrotechnic effect, is described as "explosives" under the Explosives Act. The Central Government possesses the authority to promulgate regulations in compliance with the Explosives Act, which can be applied to any region of India. These regulations can restrict or outright forbid the production, ownership, distribution, transportation, import, and export of explosives, or any particular explosive class, unless authorized by a license granted under the terms of the regulations. Violation or failure to adhere to the provisions may result in extensive penalty provisions which have been provided for manufacture, import or export, possession, usage, selling or transportation of explosives under the Explosives Act.

Environmental Legislations

The Environment (Protection) Act, 1986

The Environment (Protection) Act, 1986 (**EPA**) is an umbrella legislation designed to provide a framework for the government to coordinate the activities of various central and state authorities established under various laws, such as the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, etc. The EPA vests with the Government the power to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for laying down the quality of environment, standards for emission of discharge of environment pollutants from various sources as given under the Environment (Protection) Rules, 1986 and the Environment (Protection) Second Amendment Rules, 2022, inspection of any premises, plant, equipment, machinery, and examination of manufacturing processes and materials likely to cause pollution.

The Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act, 1974 (**Water Act**) aims to prevent and control water pollution by factories and manufacturing units and to maintain and restore the quality and wholesomeness of water. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, using of any new or altered outlet for the discharge of sewage or causing new discharge of sewage, must obtain the consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with.

The Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981 **(Air Act)** provides for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. The state pollution control board must decide on the application within a period of 4 months of receipt of such application. The consent may contain certain conditions relating to specifications of pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the state pollution control board.

Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016 **(Hazardous Waste Rules)** define the term 'hazardous waste' and any person who has control over the affairs of a factory or premises or any person in possession of the hazardous waste is classified as an 'occupier'. In terms of the Hazardous Waste Rules, occupiers have been, *inter alia*, made responsible for safe and environmentally sound handling of hazardous wastes generated in their establishments and are required to obtain license / authorization from the respective state pollution control board for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the hazardous waste.

Labour Law Legislations

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws, including the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Gratuity Act, 1972, the Payment of Bonus Act, 1965, Contract Labour (Regulation and Abolition) Act, 1970, the Maternity Benefit Act, 1961, the Employee's Compensation Act, 1923, the Trade Unions Act, 1926, Equal Remuneration Act, 1976, the Industrial Dispute Act, 1947, Apprentices Act, 1961, Industrial Employment (Standing Orders) Act, 1946, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Equal Remuneration Act, 1976, the Child Labour (Prohibition and Regulation) Act, 1986, and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

To rationalize and reform labor laws in India, the Government has enacted the following codes:

(a) Code on Wages, 2019, which regulates and amalgamates wage and bonus payments and subsumes 4 existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.

(b) Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

(c) Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act,1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organizations such as the Employee's Provident Fund and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

(d) The Occupational Safety, Health and Working Conditions Code, 2020, consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labor laws including the Contract Labor (Regulation and Abolition) Act, 1970 and received the presidential assent on September 28, 2020.

Other than few provisions of the Code on Social Security which have been notified on May 3, 2023, the provisions of these codes shall become effective on the day that the Government shall notify for this purpose.

Intellectual Property Laws

Intellectual property rights refer to the general term for intangible, intellectual, industrial property rights through patents, copyrights and trademarks and includes geographical indications, trade secrets, and confidential information. In India, patents, trademarks and copyrights enjoy protection under both statutory and common law. The key legislations governing intellectual property in India and which are applicable to our Company are the Patents Act, 1970, Copyright Act, 1957, the Designs Act, 2000 and the Trade Marks Act, 1999.

Laws relating to Taxation

The Goods and Services Tax (**GST**) is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (**CGST**), relevant state's Goods and Services Act, 2017 (**SGST**), Union Territory Goods and Services Act, 2017 (**UTGST**), Integrated Goods and Services Act, 2017 (**IGST**), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

Further, the Income-tax Act, 1961 (**Income Tax Act**) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or rules made there under depending upon its 'Residential Status' and 'Type of Income' involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. In 2019, the Government has also passed an amendment act pursuant to which concessional rates of tax are offered to a few domestic companies and new manufacturing companies.

Customs Act, 1962

The Customs Act, 1962 (**Customs Act**), as amended, regulates import of goods into and export of goods from India by providing for levy and collection of customs duties on goods. Any entity intending to import or export goods is first required to get registered under the Customs Act and obtain an Importer Exporter Code. Customs duties are administrated by Central Board of Indirect Tax and Customs under the Ministry of Finance, Government of India.

Other Applicable Laws

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, foreign exchange laws, contract laws, anti-trust laws and other applicable statutes enacted by the Centre or relevant State Governments and authorities for our day-to-day business and operations. Our Company is also subject to various central and state tax laws.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated as 'Allchem Lifescience Private Limited', at Ahmedabad as a private limited company under the provisions of Companies Act, 2013 and received a certificate of incorporation issued by the RoC on January 12, 2017. Thereafter, pursuant to a special resolution passed by the shareholders of our Company in their meeting on September 13, 2024, the name of our Company was changed from 'Allchem Lifescience Private Limited' to 'Allchem Lifescience Limited', and a fresh certificate of incorporation dated October 28, 2024, was issued to our Company by the RoC.

Changes in the Registered Office

There has been no change in the registered office of our Company since incorporation.

Main Objects of our Company: The main objects contained in the Memorandum of Association are as follows:

1. *To carry on the business of dealers, manufacturers, agents, distributors of Drugs Intermediates, Fine Chemicals, Speciality Research Products, Dues Intermediates, Agro chemicals Intermediates, Bulk Drugs and Pharmaceuticals of every description and to conduct all kinds of research and development on the same. Also, to carry on the business of dealers, manufacturers etc. as mentioned above in pharmaceutical formulations like liquids, capsules, tablets, powders, mixtures, antibiotics enzymes and fluids of every description, all intermediates and by product of any above.*

2. *To take over the running business with all existing assets and liabilities including that of government, Semi-Government, Local Bodies, corporation, Income-Tax, Excise, Service Tax, Banks, Provident Fund & Employees State Insurance and all other liabilities of Allchem Laboratories, a proprietorship owned by Mr. Bipin Patel being situated at Block No. 1088/A, B-P, Lamdapura Road, Manjusar, Tal Savli, Dist. Vadodra-391 775, Gujarat.*

3. *To carry on the business of manufacturer of Generic API Intermediates, New API Intermediates & Speciality Chemicals for the Pharmaceutical, Veterinary, Plant Health and Nutraceutical industries. In addition to above manufacturing of Cycloalkane derivatives (Cyclopropane derivatives, Cyclobutane derivatives, Cyclopentane derivatives, Cyclohexane derivaties) , Piperidone derivaties, Piperidine derivatives, Phenol derivatives, Aldehyde derivatives, Ketone derivatives, Indanone derivaties, Diketones derivatives, Piperazine derivatives (Aliphatic piperazine derivatives, Aryl piperazine derivatives) Nitriles derivatives (Cinnamonitrile derivatives, Benzyl cyanide derivaties, Benzonitrile derivatives, Aliphatic nitriles), Carboxylic acid (Aliphatic carboxylic acid, Phenylacetic acid derivatives, Phenylpropionic acid derivatives etc) Carboxylic acid derivatives (Amide derivatives, Acid chloride derivatives, Ester derivatives, Anhydride derivaties etc) Amine derivatives (Aliphatic amine derivatives, Benzylamine derivatives, Phenethylamine derivatives, Phenyl propylamine derivatives), Aromatic amines and their hydrochloride derivatives etc.., Hetrocyclic compounds derivatives (Indane, indoline, imidazole, benzimidazole, pyrrolidine, pyrrolidinone, furan, oxirane, 2H-pyran, 4H-pyran, benzo[b]furan, thiophene, pyrrole, pyridine, pyrazine, piperidine, pyrimidine, indole, morpholine, quinoline etc), Halide derivatives, Sulfonamide derivatives, Nitro compounds, Quaternary salts, Phase transfer catalysts, Benzene sulfonyl chloride derivatives, to offer custom and contract manufacturing service by doing various kind of organic reactions.*

4. *To carry on the business of medicinal preparations, compounds, surgical and scientific apparatus, equipment, appliances, instruments, medical engineering goods of varied descriptions and also all types of fine chemicals or formulation of alkalies, acids, bases, solvents, alcohols, ethers, aromatics etc. by employing any process of halogenation, hydrogenation, sulphonation, nitration etc. also, to put in continuous effort in developing new molecules as drugs in pharmaceutical, biotech, healthcare, agriculture, marine and industrial sectors, including development of such products and application of the same in various possible manner.*

5. *To develop, establish, maintain and aid in the development, establishment and maintenance of laboratories, research stations, containment facilities and programs for the purpose of effecting improvement of all kinds of pharmaceuticals & Ayurvedic, biotech products in medicine and to enter into Collaboration with various Indian/*

foreign Companies in the field of research in order to meet global challenges.To access, process, trade and transfer technology in the field of Life science, agro chemicals, pharma application products, R&D. To conduct both basic and applied research as well as contract development in the above relevant fields and to distribute, market, sell or assign the intellectual property rights or the technology with regard to the product, process or patented process of the pharmaceuticals of every description.

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of the Offer. For further details, please refer to the section titled "*Objects of the Offer*" on page 101.

Amendments to our Memorandum of Association: Set out below are the amendments to our Memorandum of Association during the last 10 years preceding the date of this DRHP.

Sr. No.	Date of Shareholders Resolution	Particulars
1.	August 23, 2018	Clause V of our Memorandum of Association was altered pursuant to increase in the authorised share capital of our Company from ₹ 20.00 million divided into 2,000,000 equity shares of face value of ₹10 each to ₹ 30.00 million divided into 3,000,000 equity shares of face value of ₹10 each.
2.	July 15, 2019	Clause V of our Memorandum of Association was altered pursuant to increase in the authorised share capital of our Company from ₹ 30.00 million divided into 30,00,000 equity shares of face value of ₹10 each to ₹ 35.00 million divided into 35,00,000 equity shares of face value of ₹10 each.
3.	January 17, 2022	Clause V of our Memorandum of Association was altered pursuant to increase in the authorised share capital of our Company from ₹ 35.00 million divided into 3,500,000 equity shares of face value of ₹10 each to ₹ 45.00 million divided into 4,500,000 equity shares of face value of ₹10 each.
4.	March 23, 2022	Clause V of our Memorandum of Association was altered pursuant to increase in the authorised share capital of our Company from ₹ 45.00 million divided into 4,500,000 equity shares of face value of ₹10 each to ₹ 100.00 million divided into 10,000,000 equity shares of face value of ₹ 10 each.
5.	September 13, 2024	Clause I of our Memorandum of Association was altered pursuant to conversion of our Company from 'Private' to 'Public' and the name of our Company was changed from 'Allchem Lifescience Private Limited' to 'Allchem Lifescience Limited'.
6.	December 26, 2024	Clause V of our Memorandum of Association was altered pursuant to increase in the authorised share capital of our Company from ₹ 100.00 million divided into 10,000,000 equity shares of face value of ₹10 each to ₹ 900.00 million divided into 90,000,000 equity shares of face value of ₹10 each.

Major events and milestones of our Company:

The table below sets forth the key events in the history of our Company:

Calendar Year	Particulars
2018	Increase in the Equipment Capacity of the Company from 36 KL to 173.50 KL.
2023	Increase in the Equipment Capacity of the Company from 173.50 KL to 511.70 KL.
2024	Increase in the Equipment Capacity of the Company from 511.70 KL to 1,133.50 KL. Manufacturing facility was audited by US Food and Drugs Association (USFDA)

Awards and Accreditations:

Fiscal / Calendar Year	Issuing Authority	Particular
2022	Bureau Veritas Certification- UK Branch	ISO 9001:2015, ISO 14001:2015, and ISO 45001: 2018 for Development, Manufacture / Sale and Dispatch of Organic Fine Chemicals and Pharmaceutical Intermediates
2013	Bureau Veritas Certification- UK Branch	ISO 45001: 2018 (Occupational Health and Safety) for Development, Manufacture / Sale and Dispatch of Organic Fine Chemicals and Pharmaceutical Intermediates
2023	Shamkris Global Inspection Services Pvt. Ltd.	Certificate for good manufacturing practises system
2024	Rephine	Good Manufacturing Practices Audit Certificate

1. Other details regarding our Company

For details regarding the description of our activities, products, market of each segment, the growth of our Company, technology, management, major suppliers and customers, exports, location, environmental issues, market, marketing and competition, see '*Our Business', 'Our Management'* and *'Industry Overview*' on pages 196, 233 and 130 respectively.

2. Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

There have been no defaults or rescheduling/restructuring of our outstanding borrowings availed by our Company from financial institutions or banks.

For details in relation to security provided by our Company for securing the loan and financial implication on our Company for the default of loans, please see "*Financial Indebtedness*" and "*Financial Information*" on page 357 and 261, respectively.

3. Time/cost overrun in setting up projects

There have been no time/cost overruns pertaining to setting up of projects by our Company as on the date of this Draft Red Herring Prospectus.

4. Launch of key products or services, capacity/facility creation, location of plants, entry into new geographies or exit from existing markets

For details regarding launch of key products/ services, entry into new geographies or exit from existing markets, see '*Our Business'* and *'History and Certain Other Corporate Matters - Major events and milestones of our Company'* on pages 196 and 228 respectively.

5. Capacity / facility creation, location of plants

For details regarding capacity/ facility creation, location of plants, see '*Our Business'* on page 196.

6. Details regarding material acquisition/disinvestments of business/undertakings, mergers, amalgamations and revaluation of assets in the last 10 years

Excepted as disclosed below, our Company has not acquired / divested any business or undertaking, and has not undertaken any merger, amalgamation or revaluation of assets in the last 10 years:

Memorandum of Understanding by and between M/s Allchem Laboratories (proprietorship concern of Bipin Patel) (Transferor) and Allchem Lifescience Private Limited (Transferee) dated March 31, 2017 (MoU)

Allchem Lifescience Private Limited (**Transferee**) had entered into a Memorandum of Understanding with Bipin Patel (**Transferor**), the sole proprietor of M/s Allchem Laboratories (**Proprietorship**) dated March 31, 2017 (**MoU**). In terms of the MoU, all the business assets and business liabilities of the Proprietorship was transferred to Allchem Lifescience Private Limited with effect from April 1, 2017, and Equity Shares of Transferee of value equivalent to the net value of business assets and business liabilities of the Proprietorship were allotted to the Transferor.

In furtherance to the above summary, set out below is a tabular representation of the arrangements and additional valuation details in relation to the acquisition pursuant to the MoU:

Sr. No.	Name of Arrangement	Name of Buyer / Transferee	Name of Seller / Transferor	Relationship of the Promoter / Directors of the company with entities / person from whom the Company has acquired or proposes to acquire any business / material assets in the last 10 years	Summary of the Valuation	Effective Date of Transaction
1.	Transfer of business assets and business liabilities from M/s Allchem Laboratories	Allchem Lifescience Private Limited	Bipin Patel (sole proprietor of M/s. Allchem Laboratories)	• Bipin Patel is the son of Kantilal Ramanlal Patel, one of the Promoters and Whole-Time Directors of our Company; • Bipin Patel is the father of Aditi Patel, one of the Promoters and Whole-Time Directors of our Company; • Bipin Patel is the spouse of Manisha Bipin Patel, one of the Promoters of our Company; • Bipin Patel is one of our Promoters and the Chairman and Managing Director of our Company.	Our Company has not undertaken the valuation for the acquisition of M/s Allchem Laboratories. The Equity Shares of our Company were allotted based on the value equivalent to the net value of business assets and business liabilities M/s Allchem Laboratories.	April 1, 2017

7. Our Holding Company

As on the date of this Draft Red Herring Prospectus, our Company has no holding company.

8. Our Subsidiaries

As on the date of this draft Red Herring Prospectus, our company has no subsidiary company.

9. Details of our Joint Ventures and Associate Companies

As on the date of this Draft Red Herring Prospectus, our Company has no joint venture and associate company.

10. Guarantees given by the Promoter participating in the Offer for Sale:

Our Promoters, Kantilal Ramanlal Patel and Manisha Bipin Patel, who are also Selling Shareholders have issued personal guarantees in relation loans availed by our Company. Set out below are the key details of the said personal guarantees:

Name of the Promoter	Name of the Lender	Type of Facility	Sanctioned Amount (in ₹ million)	Purpose of Facility
Kantilal Ramanlal Patel	State Bank of India, HDFC Bank Limited and Citi Bank NA (Consortium Led by State Bank of India)	Working Capital and Term Loan	1,581.00	Working Capital Limit-For Short Term Working Capital Requirement Term Loan-For Capital Expenditure
Manisha Bipin Patel	State Bank of India, HDFC Bank Limited and Citi Bank NA (Consortium Led by State Bank of India)	Working Capital and Term Loan	1,581.00	Working Capital Limit-For Short Term Working Capital Requirement Term Loan-For Capital Expenditure

11. Agreements with Key Managerial Personnel, Senior Management, Directors or Promoter or any other employee

There are no agreements entered into by our Key Managerial Personnel, Senior Management, Promoters, Directors or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

12. Summary of key agreements with strategic partners, joint venture partners and / or financial partners

As on the date of this Draft Red Herring Prospectus, our Company does not have any strategic partners, joint venture partners and / or financial partners.

13. Details of subsisting shareholders' agreement

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by and between our Company and Shareholders of our Company or any inter-se Shareholders with regard to rights and obligations in connection with the securities of our Company.

14. Lock-out and strikes

As on the date of this Draft Red Herring Prospectus, there have been no lockouts or strikes at any time in our Company.

15. Inter-se Agreements/arrangements amongst the shareholders of the Company

There are no other inter-se agreements or arrangements and clauses or covenants to which our Company or any of our Promoters or Shareholders are a party, which are material, and which needs to be disclosed and that there are no other clauses or covenants which are adverse or pre-judicial to the interest of the minority or public shareholders of our Company. Further, there are no other agreements, deed of assignments, acquisition agreements, shareholder agreements, inter-se agreements or agreements of like nature.

16. Details of Special Rights

There are no Shareholders who are entitled to nominate Directors or have any other special rights including but not limited to information rights

17. Material Agreements

Our Company, our Promoters, the members of the Promoter Group and, or, the Shareholders (where our Company is a party) are not party to any agreements, including any deed of assignment, acquisition agreement, shareholders' agreement, inter-se agreement/arrangement or agreements of like nature, with respect to securities of our Company. Further, we confirm there are no other clauses or covenants which our Company, our Promoter, the members of the Promoter Group or the Shareholder (where our Company is a party) are a party to, in relation to securities of our Company, which are material and adverse or pre-judicial to the interest of the minority/ public shareholders.

Our Company has not entered into any material contract other than in the ordinary course of business carried on or intended to be carried on by our Company immediately preceding the date of this Draft Red Herring Prospectus.

18. Details of Agreements required to be disclosed under Clause 5A of paragraph A of part A of Schedule III of SEBI Listing Regulations

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by our Shareholders, Promoters, entities forming part of the Promoter Group, related parties, Directors, Key Managerial Personnel, employees of our Company with our Company or amongst themselves, solely or jointly, which either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of our Company or impose any restriction or create any liability upon our Company.

OUR MANAGEMENT

Board of Directors

In accordance with the Companies Act and our Articles of Association, our Company must have not less than 3 and not more than 15 Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises of 6 Directors, of whom 3 are Executive Directors and 3 are Independent Directors (including 1 women independent director).

The following table sets forth details regarding our Board as on the date of filing of this Draft Red Herring Prospectus.

Sr. No.	Name, designation, term, period of directorship, address, occupation, date of birth and DIN	Age	Other Directorship
1.	**Bipin Patel** **Designation**: Chairman and Managing Director **Current Term**: From October 1, 2023, for a period of 5 years **Period of Directorship**: Managing Director since October 1, 2018. **Address**: A-31 Nageshwar Society, Harni Colony, Padra Vadodara, Gujarat-390022, India. **Occupation**: Business **Date of Birth**: July 25, 1973 **DIN**: 03386173	51 years	*Indian Companies* 1. Novan Tradechem Private Limited *Foreign Companies* Nil
2.	**Kantilal Ramanlal Patel** **Designation**: Whole-Time Director **Current Term**: From January 1, 2025, for a period of 3 years **Period of Directorship**: Since January 12, 2017 **Address**: A-31 Nageshwar Society, Near Manek Park, Karelibaug VIP Road, Vadodara, Gujarat -390022, India. **Occupation**: Business **Date of Birth**: May 20, 1952 **DIN:** 07691463	72 years	*Indian Companies* Nil *Foreign Companies* Nil
3.	**Aditi Patel** **Designation**: Whole-Time Director **Current Term**: From January 1, 2025, for a period of 3 years **Period of Directorship**: Since September 13, 2024	25 years	*Indian Companies* Nil *Foreign Companies* Nil

Sr. No.	Name, designation, term, period of directorship, address, occupation, date of birth and DIN	Age	Other Directorship
	Address: A-31 Nageshwar Society, Near Manek Park, Karelibaug VIP Road, Vadodara, Gujarat -390022, India. **Occupation**: Business **Date of Birth**: July 9, 1999 **DIN**: 10725175		
4.	**Lavina Bharatkumar Chhugani** **Designation**: Independent Director **Current Term**: From December 20, 2024, of for a period of 5 years **Period of Directorship**: Since December 20, 2024 **Address**: B-9 Laxmi Park Society, B/h old R.T.O office warasiya, Vadodara, Vadodara- 390006, Gujarat, India **Occupation**: Practicing Chartered Accountant **Date of Birth**: July 27, 1993 **DIN**: 10875948	31 years	*Indian Companies* Nil *Foreign Companies* Nil
5.	**Hemang Mehta** **Designation**: Independent Director **Current Term**: From December 20, 2024, of for a period of 5 years **Period of Directorship**: Since December 20, 2024 **Address**: 203 Viceroy Image Flats, 17 Bhakti Nagar Society, B/H ABS Towers, old Padra Road, Vadodara-390007, Gujarat, India. **Occupation**: Practising Company Secretary **Date of Birth**: October 19, 1965 **DIN**: 01584577	59 years	*Indian Companies* Nil *Foreign Companies* Nil
6.	**Rajnikant Chimanlal Diwan** **Designation**: Independent Director **Current Term**: From December 20, 2024, of for a period of 5 years **Period of Directorship**: Since December 20, 2024	71 years	*Indian Companies* 1. LCC Projects Limited 2. Vidya Wires Limited 3. Gopal Snacks Limited

Sr. No.	Name, designation, term, period of directorship, address, occupation, date of birth and DIN	Age	Other Directorship
	Address: B-504 Empire Regency, opp. Nandini-3, VIP Road, Surat – 395007, Gujarat, India. **Occupation**: Professional **Date of Birth**: November 6, 1953 **DIN**: 10062916		4. Ayutam Finance and Investment Pvt. Ltd. *Foreign Companies* Nil

Brief Profile of our Directors

Bipin Patel is the Chairman and Managing Director of our Company. He holds a Bachelor's Degree in Science and a Master's Degree in Science from Maharaja Sayajirao University of Baroda. As a managing director of our Company he looks after overall operations of our Company. He was previously associated with Rubamin Pharmaceutical and Parekh Laboratories Limited. He has around 23 years of experience in pharmaceutical industry.

Kantilal Ramanlal Patel is one of the Whole Time Directors of our Company. He holds a Bachelor's Degree in Engineering from Sardar Patel University. He is actively involved in the engineering department of our Company and manages plant designing and equipment installation activities. Prior to joining our Company, he was associated with Gujarat Alkalies and Chemicals Limited. He has around 45 years of experience in chemical industry.

Aditi Patel, is one of the Whole-Time Directors of our Company. She holds a Bachelor of Medicine and Bachelor of Surgery from The Maharaja Sayajirao University of Baroda in 2024. She has been associated with the Company since 2024. She oversees day to day business of our Company and has experience in marketing.

Lavina Bharatkumar Chhugani is one of the Independent Directors of our Company. She is an Associate Member of the Institute of Chartered Accountants of India and holds a certificate of practice from the Institute of Chartered Accountants of India since 2020. Prior to joining our Company, she was associated with Axis Bank Ltd. She is the sole proprietor of L B Chhugani & Associates since 2020 and a partner in Modi Chhuganu & Associates. She has around 8 years of experience in accounting and finance.

Hemang Mehta is one of the Independent Directors of our Company. He holds a Bachelor's Degree in Commerce and LL.B Degree both from Maharaja Sayajirao University of Baroda. He holds a certificate of practice from the Institute of Company Secretaries of India. He is the sole proprietor of H.M. Mehta & Associates. He has around 28 years of experience as a practicing company secretary.

Rajnikant Chimanlal Diwan is one of the Independent Directors of our Company. He holds a Bachelor's Degree in Commerce and Bachelor's Degree in Law, both from Maharaja Sayajirao University of Baroda. He is also a member of Indian Institute of Bankers. Prior to joining our Company, he was associated with Oriental Bank of Commerce since 1978. He has around 35 years of experience in banking sector.

Confirmations

None of our Directors were or are directors of listed companies during the preceding 5 years of this Draft Red Herring Prospectus whose shares have been / were suspended from being traded on any stock exchange during his / her tenure as a director of such listed company.

None of our Directors were or are directors in listed companies which were delisted from the stock exchanges during his / her tenure as a director of such listed company.

Relationship amongst our Directors and Key Managerial Personnel and, or Senior Management

Except as disclosed below, none of our Directors are related to each other and none of our directors are related to any of the Key Managerial Personnel and Senior Management of our Company:

1. Bipin Patel, our Chairman and Managing Director, is the father of Aditi Patel, one of our Whole-Time Directors and son of Kantilal Ramanlal Patel, one of our Whole-Time Directors.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Further:

1. None of our Directors have been identified as a Wilful Defaulter or Fraudulent Borrower as defined under the SEBI ICDR Regulations; and

2. None of our Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

Arrangement or understanding with major shareholders, customers, suppliers or others

None of our Directors were selected / appointed as Directors of our Company pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Service contracts with Directors

None of our Directors have entered into service contracts with our Company which provide benefits upon termination of employment.

Borrowing Powers of our Board

In accordance with the Articles of Association of our Company, and Section 180(1) of the Companies Act, 2013, our Shareholders have pursuant to a special resolution dated December 26, 2024, authorised our Board to borrow any sum or sums of money for the purpose of business of the Company, notwithstanding that the monies to be borrowed together with the money already borrowed by the Company must not exceed the aggregate paid up capital and free reserves, provided however, the maximum amount must not exceed ₹ 3,000 million.

Terms of Appointment of the Executive Directors of our Company

Chairman and Managing Director

Bipin Patel was appointed as the Managing Director of our Company with effect from October 1, 2023, pursuant to the resolution passed by our Board at its meeting dated November 25, 2023. He is entitled to the following remuneration and perquisites with effect from January 1, 2025

Date of appointment	October 1, 2023
Term of appointment	5 years
Remuneration	Up to ₹ 30.00 million per annum
Other Terms and Conditions / Perquisites and allowances of expenses	Entitled to be paid / reimbursed all costs, charges and expenses as may be incurred by him for the purpose of or on behalf of our Company

Whole time Directors

Kantilal Ramanlal Patel was appointed as the Whole-Time Director of our Company with effect from January 1, 2025 for a period of 3 years pursuant to the resolution passed by our Board at its meeting dated December 20, 2024. He is entitled to the following remuneration and perquisites with effect from January 1, 2025:

Date of appointment	January 1, 2025
Term of appointment	3 years
Remuneration	₹ 12.00 million per annum
Other Terms and Conditions / Perquisites and allowances of expenses	Entitled to be paid / reimbursed all costs, charges and expenses as may be incurred by him for the purpose of or on behalf of the Company

Aditi Patel was appointed as the Whole-Time Director of our Company with effect from January 1, 2025 for a period of 3 years pursuant to the resolution passed by our Board at its meeting dated December 20, 2024. She is entitled to the following remuneration and perquisites with effect from January 1, 2025:

Date of appointment	January 1, 2025
Term of appointment	3 years
Remuneration	₹ 12.00 million per annum
Other Terms and Conditions / Perquisites and allowances of expenses	Entitled to be paid / reimbursed all costs, charges and expenses as may be incurred by her for the purpose of or on behalf of the Company

Terms of appointment of our Independent and Non-Executive Directors

Pursuant to a resolution passed by our Board at its meeting held on December 20, 2024 each of our Independent Directors are entitled to receive ₹ 0.03 million as sitting fees for attending each meeting of the Board and ₹ 0.03 million for attending meeting of the Committees of our Board meetings and for any other meeting which shall be conducted by the Company from time to time.

Our Company has not paid any compensation or granted any benefit on an individual basis to any of our directors (including contingent or deferred compensation) other than the remuneration paid to them for Fiscal 2024.

Payment or benefits to Directors

The details of payments and benefits made to our Directors by our Company, in Fiscal 2024 are as follows:

Executive Directors

(*in ₹ million*)

Sr. No.	Name of the Director	Amount
1.	Bipin Patel	15.00
2.	Kantilal Ramanlal Patel	4.80
3.	Aditi Patel	Nil*

* *Appointed post March 31, 2024*

Independent Directors

(*in ₹ million*)

Sr. No.	Name of the Director	Amount
1.	Lavina Bharatkumar Chhugani	Nil*
2.	Hemang Mehta	Nil*
3.	Rajnikant Chimanlal Diwan	Nil*

* *Appointed post March 31, 2024*

Bonus or Profit-Sharing Plans

None of our Directors are party to any bonus or profit-sharing plan of our Company.

Contingent or Deferred Compensation to our Directors

There is no contingent or deferred compensation payable to our Directors which does not form part of their remuneration.

Shareholding of Directors in our Company

The Articles of Association of our Company do not require our Directors to hold any qualification shares.

The shareholding of our Directors in our Company as of the date of this Draft Red Herring Prospectus is set forth below:

Sr. No.	Name of Director	Number of Equity Shares	Percentage of shareholding (%)
1.	Bipin Patel	53,578,170	70.00
2.	Kantilal Ramanlal Patel	11,471,580	14.99
3.	Aditi Patel	9,000	0.01
Total		**65,058,750**	**85.00**

Interest of our Directors

All our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to each of them, by our Company. Our Independent Directors may be deemed to be interested to the extent the sitting fees and commission, if any, payable to them for attending meetings of our Board and, or committees thereof as approved by our Board and, or, Shareholders, and the reimbursement of expenses payable to them, as approved by our Board. For further details, see '*Restated Financial Statements*' on page 261.

Except as disclosed under *'Shareholding of Directors in our Company'* above, none of our Directors hold any Equity Shares or any other form of securities in our Company. Further, our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them in our Company.

Our Directors may be deemed to be interested to the extent of certain related party transactions that were undertaken with them by our Company. Our Directors may also be deemed to be interested in the contract or agreements or arrangements to be entered into by our Company in the normal course of business with any company in which they hold directorships or any partnership firm in which they are partners. For further details, see '*Restated Financial Statements*' on page 261.

Interest in the promotion/formation of our Company

Except for Bipin Patel and Kantilal Ramanlal Patel, who were amongst the initial subscribers to the memorandum of association of our Company, none of our Directors have any interest in the formation of our Company. Except for Bipin Patel, Kantilal Ramanlal Patel and Aditi Patel, who are amongst the Promoters of our Company, none of our Directors were involved in the promotion of our Company.

Interest as to property

Except as disclosed below, none of our Directors are interested in any property acquired or proposed to be acquired of our Company. Further, none of our Directors are interested in intellectual property of our Company.

Name of the Director	Location of the Property	Nature of Interest
Bipin Patel	Block No. 1088/B/P, Lamdapura Road, Vill. Manjusar, Tal. Savli, Dist. Vadodara 391 775	Acquisition of land admeasuring to 3,812.67 square meters pursuant to a sale deed dated January 28, 2021
Kantilal Ramanlal Patel	Block No. 1088/B/P, Lamdapura Road, Vill. Manjusar, Tal. Savli, Dist. Vadodara 391 775	Acquisition of land admeasuring to 3,750 square meters pursuant to a sale deed dated January 28, 2021.
Kantilal Ramanlal Patel (as the sole proprietor of Avon Engineering)	Block No. 10, Moje Village Paldi, District Vadodara, Gujarat	Leased from Avon Engineering by our Company
Kantilal Ramanlal Patel (as a partner of Avon Chemicals)	Block No. 1088/B/P, Lamdapura Road, Vill. Manjusar, Tal. Savli, Dist. Vadodara 391 775	Acquisition of land admeasuring to 952 square meters pursuant to a sale deed dated January 28, 2021

Loans to Directors

Our Directors have not availed any loans from our Company.

Other interest

No sum has been paid or agreed to be paid to our Directors or to any firms or companies in which they may be partners or members respectively, in cash or shares or otherwise by any person either to induce him or her to become, or to qualify him or her as, a Director, or otherwise for services rendered by him or her or by such firm or company, in connection with the promotion or formation of our Company.

There is no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of the company) and the Directors of our Company. Further, there is no conflict of interest between the lessor of the immovable properties, (crucial for operations of the company) and the Directors of our Company.

Changes in our Board in the last 3 years

Except for the following, there has been no change in our Board, in the last 3 years:

Sr. No.	Name	Date of appointment/change/ cessation	Reasons
1.	Appointment of Lavina Bharatkumar Chhugani as an independent director	December 20, 2024	Appointed as an Independent Director
2.	Appointment of Hemang Mehta as an independent director	December 20, 2024	Appointed as an Independent Director
3.	Appointment of Rajnikanth Chimanlal Diwan as an independent director.	December 20, 2024	Appointed as an Independent Director
4.	Appointment of Aditi Patel as the Whole Time Director	December 20, 2024	Appointed as the Whole Time Director
5.	Appointment of Kantilal Ramanlal Patel as the Whole Time Director	December 20, 2024	Appointed as the Whole Time Director

Sr. No.	Name	Date of appointment/change/ cessation	Reasons
6.	Appointment of Aditi Patel as a director.	September 13, 2024	Appointed as a Director

Note: Excludes any regularisation of appointment of directors

Corporate Governance

The corporate governance provisions of the SEBI Listing Regulations will be applicable to us immediately upon the listing of the Equity Shares on the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations and the Companies Act in respect of corporate governance pertaining to the constitution of our Board and committees thereof and formulation of policies.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas.

As on the date of this Draft Red Herring Prospectus, our Board comprises of 6; Directors, of whom 3 are Executive Director and 3 are Independent Director (including 1 woman director, 3 independent directors).

Committees of our Board

Our Board has constituted the following committee of the Board in terms of the SEBI Listing Regulations and the Companies Act:

1. Audit Committee;

2. Nomination and Remuneration Committee;

3. Stakeholders' Relationship Committee;

4. Corporate Social Responsibility Committee; and

5. Risk Management Committee.

For the purpose of the Offer, our Board has also constituted an IPO Committee and Committee of Independent Directors.

Audit Committee

The Audit Committee of our Board was constituted by a resolution of our Board at their meeting held on December 20, 2024. The constitution of the Audit Committee is as follows:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Lavina Bharatkumar Chhugani	Independent Director	Chairperson
2.	Hemang Mehta	Independent Director	Member
3.	Rajnikant Chimanlal Diwan	Independent Director	Member

The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations and its terms of reference are as follows:

***Terms of Reference for the Audit Committee*:**

The Audit Committee shall be responsible for, among other things, from time to time, the following:

A. Role of the Audit Committee

The role of the Audit Committee shall include the following:

1. To oversee the financial reporting process;

2. To review financial results and related information and disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

3. To approve or modify any related party transactions, to review internal financial controls and risk management system;

4. To formulate policy on related party transactions, which shall include materiality of related party transactions;

5. To review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

6. To recommend appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;

7. To review and evaluate with the management performance of statutory and internal auditors, effectiveness of audit process and adequacy of the internal control systems;

8. To review and monitor the statutory auditor's independence and performance, and effectiveness of audit process;

9. Approval of payment to statutory auditors for any other services rendered by the statutory auditors of the Company;

10. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

    i. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act as amended from time to time;

    ii. Changes, if any, in accounting policies and practices and reasons for the same;

    iii. Major accounting entries involving estimates based on the exercise of judgment by management;

    iv. Significant adjustments made in the financial statements arising out of audit findings;

    v. Compliance with listing and other legal requirements relating to financial statements;

    vi. Disclosure of any related party transactions; and

    vii. Modified opinion(s) in the draft audit report.

11. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

12. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than

those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;

13. Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

14. To set out criteria for granting omnibus approval in line with the Company's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;

15. Scrutinizing of inter-corporate loans and investments;

16. Valuation of undertakings or assets of the Company, wherever it is necessary;

17. Evaluation of internal financial controls and risk management systems;

18. Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

19. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

20. Discussing with internal auditors on any significant findings and follow up thereon;

21. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

22. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

23. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

24. Reviewing the functioning of the whistle blower mechanism;

25. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;

26. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, the SEBI Listing Regulations, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or by any other regulatory authority.

27. Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per applicable law.

28. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

29. recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services

30. Approving the KPI

31. To ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company.

32. to review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively.

B. *Powers of the Audit Committee*

The powers of the Audit Committee shall include the following:

1. To investigate any activity within its terms of reference;

2. To seek information from any employee;

3. To obtain outside legal or other professional advice;

4. To secure attendance of outsiders with relevant expertise, if it considers necessary; and

5. Such other powers as may be prescribed under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Reviewing Powers

The Audit Committee shall mandatorily review the following information:

1. management's discussion and analysis of financial condition and results of operations;

2. statement of significant related party transactions submitted by the management;

3. management letters / letters of internal control weaknesses issued by the statutory auditors;

4. internal audit reports relating to internal control weaknesses;

5. the appointment, removal and terms of remuneration of the chief internal auditor;

6. examination of the financial statements and the auditors' report thereon;

7. review the financial statements, in particular, the investments made by any unlisted subsidiary; and

8. statement of deviations:

    (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and

    (ii) annual statement of funds utilised for purposes other than those stated in the document/prospectus/notice in terms of the SEBI Listing Regulations.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of our Board was constituted by a resolution of our Board at their meeting held on December 20, 2024. The constitution of the Nomination and Remuneration Committee is as follows:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Rajnikant Chimanlal Diwan,	Independent Director	Chairperson
2.	Lavina Bharatkumar Chhugani,	Independent Director	Member
3.	Hemang Mehta	Independent Director	Member

The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

Terms of Reference for the Nomination and Remuneration Committee:

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (**Board** or **Board of Directors**) a policy relating to the remuneration of the directors, key managerial personnel and other employees (**Remuneration Policy**);

2. The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:

    a. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

    b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

    c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

3. formulation of criteria for evaluation of performance of independent directors and the Board;

4. devising a policy on Board diversity;

5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment, promotion and removal and shall specify the manner for effective evaluation of performance of the Board (including the Independent Directors), its committees, and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the Remuneration Policy and the evaluation criteria in its annual report;

6. reviewing and recommending to the Board, manpower plan/ budget and sanction of new senior management positions from time to time in the future;

7. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge, and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The

person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:

a. use the services of an external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time commitments of the candidates.

8. extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

9. evaluation and recommendation of termination of appointment of directors in accordance with the Board's governance principles for cause or for other appropriate reasons;

10. making recommendations to the Board in relation to the appointment, promotion and removal of the senior management personnel;

11. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

12. recommending to the Board, all remuneration, in whatever form, payable to senior management, including revisions thereto;

13. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

14. administering, monitoring and formulating detailed terms and conditions of the Employees Stock Option Scheme of the Company;

15. framing suitable policies and systems to ensure that there is no violation, as amended from time to time, of any securities laws or any other applicable laws in India or overseas, including:

- the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
- the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.

16. carrying out any other function as is mandated by the Board from time to time and / or enforced/mandated by any statutory notification, amendment or modification, as may be applicable;

17. performing such other functions as may be necessary or appropriate for the performance of its duties;

18. periodically reviewing and re-examining the terms of reference and making recommendations to our Board for any proposed changes;

19. authorization to obtain advice, reports or opinions from internal or external counsel and expert advisors;

20. ensuring proper induction program for new directors, key managerial personnel and senior management and reviewing its effectiveness along-with ensuring that on appointment, they receive a formal letter of appointment in accordance with guidelines provided under the Companies Act;

21. developing a succession plan for our Board and senior management and regularly reviewing the plan;

22. ensuring that it proactively maintains a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company;

23. consideration and determination of the Remuneration Policy based on performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Nomination and Remuneration Committee shall deem appropriate; and

24. perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act to the extent notified and effective, as amended or by the SEBI Listing Regulations or by any other applicable law or regulatory authority.

Stakeholder's Relationship Committee

The Stakeholders' Relationship Committee of our Board was constituted by a resolution of our Board at their meeting held on December 20, 2024. The constitution of the Stakeholders' Relationship Committee is as follows:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Hemang Mehta,	Independent Director	Chairperson
2.	Lavina Bharatkumar Chhugani,	Independent Director	Member
3.	Rajnikant Chimanlal Diwan,	Independent Director	Member

The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations and its terms of reference are as follows:

Terms of Reference for the Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required by the under applicable law, the following:

1. considering and specifically looking into various aspects of interests of shareholders, debenture holders and other security holders;

2. resolving the grievances of the security holders of the Company including complaints related to allotment of shares, transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, depository receipt, non-receipt of annual report , balance sheet or profit and loss account, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;

3. review of measures taken for effective exercise of voting rights by shareholders;

4. investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

5. giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

6. review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;

7. review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and

8. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of our Board was reconstituted by a resolution of our Board at their meeting held on December 20, 2024. The constitution of the Corporate Social Responsibility Committee is as follows:

Sr. No.	Name of the Director	Designation	Position in the Committee
1.	Bipin Patel	Chairman and Managing Director	Chairperson
2.	Kantilal Ramanlal Patel	Whole Time Director	Member
3.	Hemang Mehta	Independent Director	Member

The scope and functions of the Corporate Social Responsibility Committee are in accordance with Section 135 of the Companies Act.

Terms of Reference for the Corporate Social Responsibility Committee:

1. formulate and recommend to the Board, a "Corporate Social Responsibility Policy" stipulating, amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended (**Companies Act**), monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;

2. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

3. To review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

4. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;

5. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

6. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

7. assistance to the Board to ensure that our Company spends towards the corporate social responsibility activities in every Fiscal, such percentage of average net profit/ amount as may be prescribed in the Companies Act;

8. providing explanation to the Board if the Company fails to spend the prescribed amount within the financial year;

9. providing updates to our Board at regular intervals of six months on the corporate social responsibility activities;

10. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and

11. exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

Risk Management Committee

The Risk Management Committee was constituted by a resolution of our Board at their meeting held on December 20, 2024. The members of the Risk Management Committee are:

Sr. No.	Name of the Director	Director	Position in the Committee
1.	Bipin Patel	Chairman and Managing Director	Chairperson
2.	Kantilal Ramanlal Patel	Whole-Time Director	Member
3.	Lavina Bharatkumar Chhugani	Independent Director	Member

The scope and functions of the Risk Management Committee are in accordance with Section 178 of the Companies Act and Regulation 21 of the SEBI Listing Regulations.

Terms of Reference for the Risk Management Committee

The terms of reference of the Risk Management Committee include the following:

1. To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof. The risk management policy shall include the following:

    i. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;

    ii. Measures for risk mitigation including systems and processes for internal control of identified risks; and

    iii. Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity and recommend for any amendment or modification thereof, as necessary;

4. To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

5. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

6. To implement and monitor policies and/or processes for ensuring cyber security;

7. To consider the effectiveness of decision-making process in crisis and emergency situations;

8. To generally, assist the Board in the execution of its responsibility for the governance of risk;
9. To frame, devise and monitor risk management plan and policy of the Company, including evaluating the adequacy of risk management systems;
10. To review and recommend potential risk involved in any new business plans and processes;
11. To review the Company's risk-reward performance to align with the Company's overall policy objectives;
12. Monitor and review regular updates on business continuity;
13. The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary
14. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;
15. Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and
16. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013, as amended, or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

Management Organisation Structure

Key Managerial Personnel and Senior Management

Key Managerial Personnel

In addition to Bipin Patel, our Chairman and Managing Director and Kantilal Ramanlal Patel, and Aditi Patel our Whole Time Directors, whose details have been provided under the paragraph '*Our Management-Brief profile of our Directors*' on page 235, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus, are as follows:

1. Jigardan Gadhvi, Company Secretary and Compliance Officer; and

2. Sachin K Mistry, Chief Financial Officer.

Brief Profiles of the KMP of our Company

Jigardan Gadhvi is the Company Secretary and Compliance Officer of our Company. He has completed Bachelor's Degree in Commerce and Bachelor's Degree in Laws, both from Maharaja Sayajirao University. He is an associate member of the Institute of Company Secretaries of India. He has been associated with our Company since February 28, 2025. Prior to joining our Company, he was associated with Axel Polymers Ltd. He is responsible for the secretarial, regulatory and statutory compliance of our Company. The remuneration paid to him during Fiscal 2024 was ₹ Nil.

Sachin K Mistry is the Chief Financial Officer of our Company. He holds a Bachelor's Degree of Commerce from Maharaja Sayajirao University of Baroda. He has also completed post graduate diploma in Taxation and Practice from Maharaja Sayajirao University of Baroda. He has been associated with the Company since September 1, 2017. He is responsible for corporate finance, accounts, taxation and business finance in our Company. The remuneration paid to him during Fiscal 2024 was ₹ 0.89 million.

Senior Management

The details of our Senior Management as on the date of this Draft Red Herring Prospectus, are as follow:

1. Jayeshkumar Popatlal Patel, General Manager – Production;

2. Nareshkumar Dhamelia, General Manager – Research & Development;

3. Vinita A Mahadware, General Manager – Pilot Plant;

4. Hardik Kiranbhai Patel, Manager – Quality Assurance;

5. Ketulkumar Patel, Manager – Engineering;

6. Ashishkumar Patel, Manager – Production;

7. Jigar Manubhai Rabari, Senior Executive – Quality Control;

8. Swapnil Sanjay Raut, General Manager – Marketing Department;

9. Hitesh K Patel, Senior Manager – Purchase & Legal; and

10. Ankit Kumar Singh, Officer – HR & Admin.

Brief Profiles of our Senior Management

Jayeshkumar Popatlal Patel, is the General Manager in the Production department of our Company. He has been associated with our Company since May 22, 2017. He completed his Bachelor's Degree of Science from University of Gujarat. Prior to joining our Company, he was associated with Rubamin Pharmachem. He is responsible for production planning & implementation of our Company. The remuneration paid to him during Fiscal 2024 is ₹ 1.80 million.

Nareshkumar Dhamelia, is the General Manager in the Research & Development department of our Company. He has been associated with our Company since January 18, 2024. He completed his Master's Degree in Science from Maharaja Sayajirao University of Baroda. He was previously associated with Shiva Pharamachem Limited as Group Leader. He is responsible for carrying out critical development trials of our Company. The remuneration paid to him during Fiscal 2024 is ₹ 0.36 million.

Vinita A Mahadware, is the General Manager in the Pilot Plant department of our Company. She has been associated with our Company since its incorporation. She completed her Bachelors & Master's in Science from the Maharaja Sayajirao University of Baroda. She was previously associated with Paushak Limited and Lupin Limited. She is responsible for design & development planning in our Company. The remuneration paid to her during Fiscal 2024 is ₹ 1.18 million.

Hardik Kiranbhai Patel, is the Manager in the Quality Assurance department of our Company. He has been associated with our Company since its incorporation. He completed his diploma in Mechanical Engineering from the Sigma Institute of Tech & Engineering in Baroda. He was previously associated with Ankur Scientific Energy Technologies Private Limited. He is responsible for release and rejection of finished products in our Company. The remuneration paid to him during Fiscal 2024 is ₹ 0.99 million.

Ketulkumar Patel, is the Manager in the Engineering department of our company. He has been associated with our company since October 12, 2021. He has completed his Bachelors of Engineering from G.K. Bharad Institute of Engineering, Kasturba Dam, Rajkot. He is responsible for maintenance of plant & machinery in our Company. The remuneration paid to him during Fiscal 2024 is ₹ 0.35 million.

Ashishkumar Patel, is the Manager in Production department of our Company. He has been associated with our Company since July 16, 2018. He holds a Bachelor's Degree in Science from Gujarat University and a Master's Degree in Science from Madurai Kamaraj University. He was previously associated with Rubamin Limited, Avid Organics and Paushak Limited. He is responsible for designing plants, conducting plant trials, and stabilizing processes in our Company. The remuneration paid to him during Fiscal 2024 is ₹ 1.04 million.

Jigar Manubhai Rabari, is the Senior Executive in the Quality Control department of our Company. He has been associated with our Company since August 03, 2019. He holds a Bachelor's Degree of Science from Maharaja Sayajirao University of Baroda. He was previously associated with Zenith Fibres Limited. He is responsible for laboratory activities in our Company. The remuneration paid to him during Fiscal 2024 is ₹ 0.55 million.

Swapnil Sanjay Raut, is the General Manager in the Marketing department of our Company. He has been associated with our Company since its incorporation. He holds a Bachelor's Degree of Engineering from University of Pune. He was previously associated with Yasham Speciality Ingredients Pvt. Ltd. He is responsible for business development and sales & marketing in our Company. The remuneration paid to him during Fiscal 2024 is ₹ 2.02 million.

Hitesh K Patel, is the Senior Manager in the Purchase & Legal department of our Company. He has been associated with our Company since its incorporation. He holds a Bachelor's Degree of Commerce from Maharaja Sayajirao University of Baroda. He is responsible for issuing the work and purchase orders in our Company. The remuneration paid to him during Fiscal 2024 is ₹ 1.10 million.

Ankit Kumar Singh, is the Officer in HR & Admin department of our Company. He has been associated with our Company since October 1, 2022. He has completed his Bachelor's Degree of Commerce and post graduate diploma in Human Resource Management, both from Maharaja Sayajirao University of Baroda. He is responsible for recruitment & selection process in our Company. The remuneration paid to him during Fiscal 2024 is ₹ 0.26 million.

Relationship amongst our Key Managerial Personnel and Senior Management

Other than as disclosed under "- *Relationship amongst our Directors and Key Managerial Personnel and, or Senior Management*" on page 235, none of our Key Managerial Personnel and Senior Management are related to each other:

Arrangements and understanding with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel and Senior Management have been selected pursuant to any arrangement or understanding with any Shareholders, customers or suppliers or others.

Retirement and termination benefit

Except for applicable statutory benefits, none of our Key Managerial Personnel and Senior Management would receive any benefits on their retirement or on termination of their employment with our Company.

Service Contracts with Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and Senior Management have entered into any service contract with our Company.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management

There is no contingent or deferred compensation payable to our Key Managerial Personnel and Senior Management which does not form part of their remuneration.

Status of Key Managerial Personnel and Senior Management

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Shareholding of Key Managerial Personnel and Senior Management

Except as disclosed below, none of our Key Managerial Personnel and Senior Management hold any Equity Shares as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Director, Key Managerial Personnel and Senior Management*	Number of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Sachin K Mistry	450	Negligible
Total		**450**	**Negligible**

Bonus or Profit-Sharing Plan of Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and Senior Management are party to any bonus or profit-sharing plan of our Company other than performance based discretionary incentives given to the Key Managerial Personnel and Senior Management.

Changes in the Key Managerial Personnel and Senior Management

The changes in our Key Managerial Personnel and our Senior Management during the 3 years immediately preceding the date of this Draft Red Herring Prospectus, are set forth below:

Sr. No.	Name of the Key Managerial Personnel/ Senior Management	Date of Appointment / Change / Cessation	Reasons
1.	Sachin K Mistry	December 20, 2024	Appointment as the Chief Financial Officer
2.	Jigardan Gadhvi	February 28, 2024	Appointment as the Company secretary and Compliance officer
3.	Nareshkumar Dhamelia	January 18, 2024	Appointment as Senior Manager in Research & Development department
4.	Ankit Kumar Singh	October 1, 2022	Appointment as Trainee Officer

Interest of Key Managerial Personnel and Senior Management

Except as disclosed under '*Our Management – Interest of our Directors*', and '*Restated Financial Statements – Related Party Transactions'* on pages 238 & 314 none of our Directors, have any interest in our Company. For details of the shareholding of our Key Managerial Personnel and members of Senior Management in our Company, see '*Our Management – Shareholding of Key Managerial Personnel and Senior Management*' on page 253.

There is no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of the company) and the KMPs / SMPs of our Company. Further, there is no conflict of interest between the lessor of the immovable properties, (crucial for operations of the company) and the KMPs / SMPs of our Company.

Attrition of Key Managerial Personnel and Senior Management vis-à-vis industry

The rate of attrition of our Key Managerial Personnel and Senior Management is not high in comparison to the industry in which we operate.

Payment or benefits to Directors or Key Managerial Personnel and Senior Management (non-salary related)

Except as disclosed above under '*Interest of our Directors*' on page 238, '*Interest of Key Managerial Personnel and Senior Management*' on page 253 and as stated in see '*Restated Financial Statements – Related Party Transactions*' on page 314, no amount or benefit has been paid or given within the 2 years preceding the date of filing of this Draft Red Herring Prospectus or intended to be paid or given to any officer of our Company, including our Directors, Key Management Personnel and Senior Management.

Employee Stock Option Plan

Our Company has not formulated any employee stock option scheme as on the date of this Draft Red Herring Prospectus.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are:

1. Bipin Patel;

2. Kantilal Ramanlal Patel;

3. Manisha Bipin Patel; and

4. Aditi Patel.

As on date of this Draft Red Herring Prospectus, our Promoters hold 76,521,780 Equity Shares of face value of ₹ 10 each constituting around 99.98% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth below:

Sr. No.	Name of the Promoter	No. of Equity Shares	Percentage of the pre-Offer Equity Share capital (%)
1.	Bipin Patel	53,578,170	70.00
2.	Kantilal Ramanlal Patel	11,471,580	14.99
3.	Manisha Bipin Patel	11,463,030	14.98
4.	Aditi Patel	9,000	0.01
Total		**76,521,780**	**99.98**

Brief Profiles of our Promoters

Bipin Patel

Date of Birth: July 25, 1973

PAN: AGCPP0440K

Bipin Patel, aged 51 years, is one of the Promoter and the Chairman and Managing Director of our Company.

For a complete profile of Bipin Patel, including his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see *'Our Management – Brief Profile of Our Director'* on page 235.

	**Kantilal Ramanlal Patel** **Date of Birth:** May 20,1952 **PAN:** AEOPP0482R Kantilal Ramanlal Patel, aged 72 years, is one of the Promoter and a Whole Time Director of our Company. For a complete profile of Kantilal Ramlal Patel, including his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see *'Our Management – Brief Profile of Our Director'* on page 235.
	**Manisha Bipin Patel** **Date of Birth:** June 1, 1976 **PAN:** AKVPP9909Q Manisha Bipin Patel, aged 48 years, is one of the Promoter of our Company. She has completed her Bachelors of Arts from Gujarat University. She was previously associated with our Company as one the directors. She has around 2 years of experience pharmaceutical industry. Other Directorship: Novan Trade Chem Private Limited Other than the entities forming part of the Promoter Group, she is not involved in any other venture.
	**Aditi Patel** **Date of Birth:** July 9, 1999 **PAN:** DYLPP5697A Aditi Patel, aged 25 years, is one of the Promoter and the Whole Time Director of our Company. For a complete profile of Aditi Patel, including her educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see *'Our Management – Brief Profile of Our Director'* on page 235.

Our Company confirms that the PAN, bank account number, passport number, Aadhar card number and driving license number of our Promoters will be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Interests of our Promoters

Our Promoters are interested in our Company to the extent: (a) that they have promoted our Company; (b) of their respective shareholding in our Company and the dividends payable upon such shareholding, if any; (c) any other distributions in respect of the Equity Shares held by them, if any; (d) of being the Directors and Key Managerial Personnel of our Company and the sitting fees/remuneration, benefits and reimbursement of expenses, payable to them as per the terms of their employment by our Company; and that our Company has undertaken transactions with them, or their relatives or entities in which our Promoters hold shares or have an interest, if applicable. For further details of our Promoters, see '*Summary of the Offer Document– Summary of Related Party Transactions*', '*Capital Structure – Build-up of the Promoters' shareholding in our Company*' and '*Our Management – Interest of our Directors*' on page 18, 90, and 238, respectively.

Interest in our Company arising out of being a member of a firm or company.

None of our Promoters are interested as a member of a firm or company and no sum has been paid or agreed to be paid to any of our Promoters or to any such firm or company in cash or shares or otherwise by any person either to induce him to become, or to qualify him as, a director, or otherwise, for services rendered by such Promoter(s) or by such firm or company in connection with the promotion or formation of our Company.

Interest in the property (including acquisition of land, construction of building and supply of machinery) of our Company.

Other than as set out below, none of our Promoters or Promoter Group have an interest in any property acquired by or leased to our Company during the 3 years immediately preceding the date of this Draft Red Herring Prospectus or proposed to be acquired or leased to our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery:

Name of the Promoter / Promoter Group	Location of the Property	Nature of Interest
Bipin Patel	Block No. 1088/B/P, Lamdapura Road, Vill. Manjusar, Tal. Savli, Dist. Vadodara 391 775	Acquisition of land admeasuring to 3,812.67 square meters pursuant to a sale deed dated January 28, 2021.
Manisha Bipin Patel	Block No. 1088/B/P, Lamdapura Road, Vill. Manjusar, Tal. Savli, Dist. Vadodara 391 775, Gujarat	Acquisition of land admeasuring to 3,635.38 square meter pursuant to a sale deed dated January 28, 2021.
Kantilal Ramanlal Patel	Block No. 1088/B/P, Lamdapura Road, Vill. Manjusar, Tal. Savli, Dist. Vadodara 391 775	Acquisition of land admeasuring to 3,750 square meters pursuant to a sale deed dated January 28, 2021.
Avon Engineering	Block No. 10, Moje Village Paldi, District Vadodara, Gujarat	Leased by our Company
Manguben K Patel	Block No. 1088/B/P, Lamdapura Road, Vill. Manjusar, Tal. Savli, Dist. Vadodara 391 775	Acquisition of land admeasuring to 3,750 square meters pursuant to a sale deed dated January 28, 2021.
Avon Chemicals	Block No. 1088/B/P, Lamdapura Road, Vill. Manjusar, Tal. Savli, Dist. Vadodara 391 775	Acquisition of land admeasuring to 3,750 square meters pursuant to a sale deed dated January 28, 2021

Other than as disclosed in '*Our Promoters and Promoter Group – Our Promoter Group*' on page 258, our Promoters are not involved in any other ventures.

There is no conflict of interest between our Promoters or members of our Promoter Group and the suppliers of raw materials and third-party service providers, which are crucial for the operations of our Company. Further, there is no conflict of interest between our Promoters or members of our Promoter Group and lessors of the immovable properties, which are crucial for the operations of our Company.

Payment or benefits to our Promoters or to the members of our Promoter Group

Except as stated in '*Our Management*' and '*Restated Financial Statements – Note 42 – Related party Disclosures'* on pages 233 and 314, respectively there has been no direct or indirect contracts, agreements or any other arrangements pursuant which any amount, payment or benefit paid or given, respectively, to our Promoters or Promoter Group during 2 years prior to the date of this Draft Red Herring Prospectus and no amount, payment or benefit is intended to be paid or given to any of our Promoters or the members of our Promoter Group.

Material guarantees given by our Promoters with respect to the Equity Shares

Our Promoters have not given any material guarantees to any third party with respect to Equity Shares of the Company as on the date of this Draft Red Herring Prospectus.

Change in the control of our Company

There has been no change in control of our Company in the last five years immediately preceding the date of this Draft Red Herring Prospectus.

Companies with which our Promoters have disassociated in the last 3 years

Our Promoters have not disassociated themselves from any company in the last 3 years preceding the date of filing of this Draft Red Herring Prospectus.

Our Promoters are not and have never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

Neither our Promoters nor any of the members of our Promoter Group have not been declared as Wilful Defaulters or Fraudulent Borrowers, as defined in the SEBI ICDR Regulations.

Except as disclosed in the *'Outstanding Litigation and Other Material Developments – Litigations involving our Promoters'* on page 400, there are no litigation or legal or disciplinary action pending or taken by any ministry, department of the Government or statutory authority during the last 5 years preceding the date of this Draft Red Herring Prospectus against our Promoters.

Our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

Our Promoter Group

In addition to our Promoters, the following persons and entities form part of our Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations.

Natural persons who are part of the Promoter Group

Name of the Promoter	Relationship	Name of the Relative
Bipin Patel	Spouse	Manisha Bipin Patel
	Mother	Manguben K Patel
	Father	Kantilal Ramanlal Patel
	Daughter	Aditi Patel
	Son	Dhruvil Patel
	Spouse's mother	Susilaben Shantilal Patel
	Spouse's father	Maheshkumar Kalidas Patel
	Spouse's brother	Vikrantkumar Patel
	Spouse's brother	Sanketkumar Patel
	Spouse's sister	Pritiben Maheshbhai Patel
Kantilal Ramanlal Patel	Spouse	Manguben K Patel
	Brother	Manilal Ramanlal Patel
	Sister	Manjulaben Patel
	Son	Bipin Patel

Name of the Promoter	Relationship	Name of the Relative
	Spouse's brother	Kantilal Kuberbhai Patel
	Spouse's brother	Bhulabhai Patel
Manisha Bipin Patel	Spouse	Bipin Patel
	Mother	Susilaben Shantilal Patel
	Father	Maheshkumar Kalidas Patel
	Brother	Vikrantkumar Patel
	Brother	Sanketkumar Patel
	Sister	Pritiben Maheshbhai Patel
	Son	Dhruvil Patel
	Daughter	Aditi Patel
	Spouse's mother	Manguben K Patel
	Spouse's father	Kantilal Ramanlal Patel
Aditi Patel	Father	Bipin Patel
	Mother	Manisha Bipin Patel
	Brother	Dhruvil Patel

Entities forming part of the Promoter Group of our Promoters

Sr. No.	Name
1.	Nova Tradechem Private Limited
2.	Avon Chemicals
3.	ALS Pharma
4.	Avon Engineering (Sole proprietorship of Kantilal Ramanlal Patel)

DIVIDEND POLICY

The declaration and payment of dividend will be recommended by our Board and/or approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association, the applicable law, including the Companies Act. The dividend policy of our Company was adopted and approved by our Board in its meeting held on December 20, 2024 (**Dividend Policy**).

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividend in the foreseeable future. In terms of our Dividend Policy, our Board shall consider, *inter alia,* the following financial, internal and external parameters while declaring or recommending dividends to our Shareholders: (i) availability of profit; (ii) financial performance of the Company for the year for which dividend is recommended; (iii) working capital requirements; (iv) shareholders expectations; (v) sectoral performance; (vi) government policies; (vii) growth rate of past earnings and predicted earnings; (viii) expansion and modernisation of existing business; and (ix) investment in research and development

In addition, our ability to pay dividends may be impacted by a number of other factors, including any tax and regulatory changes in the jurisdiction in which our Company operates which significantly affects the business, taxation and other regulatory changes and restrictive covenants under our current or future loan or financing documents or arrangements, our Company is currently availing or may enter into finance our fund requirements for our business activities from time to time. For details in relation to the risk, see '*Financial Indebtedness'* on page 357.

Our Company has not declared any dividends during Fiscal 2024, Fiscal 2023 and Fiscal 2022, and from March 31, 2024, till the date of this Draft Red Herring Prospectus.

The profits earned by our Company may either be retained and used for various purposes by our Company or may be distributed to the Shareholders. Our Company may from time to time, pay interim dividends. Further, our past practices in relation to declaration of dividend and, or, the amount of dividend paid is not necessarily indicative of our future dividend declaration. There is no guarantee that any dividends will be declared or paid of any amount, or with any frequency in the future. For further details in relation to the risk involved, see '*Risk Factor - Our Company has not paid dividends in the last 3 Fiscals and up to the date of this Draft Red Herring Prospectus. Further, there cannot be any assurance that our Company will be in a position to pay dividends in the future*' on page 53.

SECTION VI: FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

(***Remainder of this page has been intentionally left blank***)

Independent Auditors' Examination Report on the Restated Statement of Assets and Liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for six months period ended September 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 along with the Summary Statement of Material Accounting Policies and other explanatory information of Allchem Lifescience Limited (Formerly known as Allchem Lifescience Private Limited) (collectively, the "Restated Financial Information")

To the Board of Directors of
Allchem Lifescience Limited
(Formerly known as Allchem Lifescience Private Limited)
Block N0:-1088/B/P,1088-A, Lamdapura Road,
Village Manjusar, Tal - Savli, Vadodara,
Vadodara, Gujarat, India, 391775.

Dear Sirs / Madam,

1. We, Talati & Talati LLP, Chartered Accountants, the Statutory Auditors of the Company, have examined the attached Restated Financial Information of Allchem Lifescience Limited (Formerly known as Allchem Lifescience Private Limited) (the "Company" or the "Issuer"), comprising the Restated Statement of Assets and Liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statements of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity, the Restated Cash Flow Statement for the six months period ended September 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on March 03, 2025 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") in connection with proposed Initial Public Offer of equity shares of the Company ("IPO") prepared in terms of the requirements of:

a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

Management's Responsibility for the Restated Financial Information

2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE", together with BSE, the "Stock Exchanges") in connection with the proposed IPO. The Restated Financial Information has been prepared by the management of the Company on the "Basis of Preparation" as stated in Note - 1 of Annexure V to the Restated Financial Information. The board of directors of the company is responsible for designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The board of directors of the company is also responsible for identifying and ensuring that the company complies with the Act, the ICDR Regulations, and the Guidance Note.

Auditor's Responsibilities

3. We have examined such Restated Financial Information taking into consideration:

    a. The terms of reference and terms of our engagement agreed upon with the Company in accordance with our engagement letter dated August 26, 2024 in connection with the proposed IPO of equity shares of the Company;

    b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

    c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

    d. The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO of equity shares of the Company.

Restated Financial Information as per Audited Financial Statements

4. The Restated Financial Information have been compiled by the management of the Company from:

    a. Audited Special Purpose Interim Ind AS Financial Statements of the Company as at and for the six month period ended September 30, 2024 prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India (the "Special Purpose Interim Ind AS Financial Statements") which have been approved by the Board of Directors at their meeting held on March 03, 2025.

    b. Audited Special Purpose Ind AS Financial Statements of the Company as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 prepared by the Management of the Company in accordance with Ind AS prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India and which have been approved by the Board of Directors of the Company at their meeting held on March 03, 2025.

c. The Financial Statements as at and for the six months period ended September 30, 2024 were the first financials prepared with Ind AS. Upto financial year ended March 31, 2024, the Company prepared its financial statements in accordance with Paragraph 7 of the Companies (Accounts) Rules 2014 ("Indian GAAP" or Previous GAAP") due to which the Special Purpose Ind AS financial statements were prepared for the purpose of IPO.

d. The financial information for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 included in the special purpose Ind AS financial statements are based on the previously issued statutory financial statements prepared for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 in accordance with the Companies (Accounting Standard) Rules, 2006 & audited and reported by us, statutory auditor, Talati & Talati LLP, Chartered Accountants having firm registration number 110758W/W100377, has issued an unmodified audit opinion vide audit reports dated July 30, 2024, August 28, 2023 and September 08, 2022 respectively, and which has been translated into figures as per Ind AS after incorporating Ind AS adjustments to align accounting policies, exemptions and disclosures as adopted by the Company.

5. For the purpose of our examination, we have relied on:

   a. Independent Auditor's reports issued by us dated March 03, 2025 on the Special Purpose Interim Ind AS Financial Statements of the Company as at and for the Six months ended September 30, 2024 as referred in Para 4 (a) above.

   b. Independent Auditor's reports issued by us dated March 03, 2025 on the Special Purpose Ind AS Financial Statements of the Company as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 as referred in Para 4(b) above.

   c. Independent Auditor's report issued by us dated July 30, 2024 on the financial statements of the company issued under IGAAP for the year ended March 31, 2024, as referred in Paragraph 4 (c) above.

   d. Independent Auditor's report issued by us, dated August 28, 2023 on the financial statements of the company issued under IGAAP for the year ended March 31, 2023, as referred in Paragraph 4 (c) above.

   e. Independent Auditor's report issued by us, dated September 08, 2022 on the financial statements of the company issued under IGAAP for the year ended March 31, 2022, as referred in Paragraph 4 (c) above.

6. The audit reports issued by us referred to in para 5 above and this Restated Financial Information does not include any audit qualification / reservation / emphasis of matter / adverse remark / paragraph.

Opinion

7. Based on our examination and according to the information and explanations provided to us, we report that the Restated Financial Information:

   a. has been prepared after incorporating adjustments for the changes in accounting policies, any material errors and regroupings/reclassifications retrospectively in the financial years as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six-month period ended September 30, 2024.

   b. does not contain any qualifications/modifications requiring adjustments for the six months period ended September 30, 2024, and for the years ended March 31, 2024, March 31, 2023, and March 31, 2022; and

   c. has been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

9. The Restated Financial Information does not reflect the effects of events that occurred subsequent to September 30, 2024. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Company as at any date or for any period subsequent to September 30, 2024.

10. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Restrictions on use

12. Our report is intended solely for use by the Board of Directors of the Company for inclusion in the DRHP to be filed with the SEBI, BSE and NSE in connection with the proposed IPO. As a result, the Restated Financial Information may not be suitable for any other purpose. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Talati & Talati LLP
Chartered Accountants
FRN: 110758W/W100377

CA Manish Baxi
Partner
Membership No.: 045011

UDIN: 25045011BMNSKL3553

Place of Signature: Vadodara
Date: March 03, 2025

Allchem Lifescience Limited (Formerly known as Allchem Lifescience Private Limited)
CIN - U24299GJ2017PLC095094
Annexure I - Restated Statement of Assets and Liabilities
All amounts are in INR Millions unless otherwise stated

Amount in Millions

Particulars	Note No.	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
I ASSETS					
1 Non- Current Assets					
(a) Property, Plant and Equipment	**2A**	1,450.17	1,445.25	745.91	188.23
(b) Capital Work - in - Progress	**2B**	105.92	121.55	540.69	382.91
(c) Investment Property		-	-	-	-
(d) Intangible Assets	**3**	0.56	0.70	1.16	-
(e) Right of Use Assets	**4**	7.39	7.55	7.88	8.21
(f) Financial Assets					
(i) Investments		-	-	-	-
(ii) Others Financial Assets	**5**	8.21	8.21	4.61	4.61
(g) Deferred Tax Assets	**19**	-	-	-	4.92
(h) Other Non - Current Assets	**6**	-	-	-	-
Total Non - Current Assets		**1,572.25**	**1,583.27**	**1,300.26**	**588.87**
2 Current assets					
(a) Inventories	**7**	447.28	262.40	185.68	143.67
(b) Financial Assets					
(i) Trade Receivables	**8**	387.47	276.40	197.35	256.68
(ii) Cash and Cash Equivalents	**9**	1.80	1.75	2.19	0.36
(iii) Bank Balances other than Cash and Cash	**10**	-	-	-	-
(iv) Loans & Advances	**11**	1.03	1.06	1.03	0.99
(v) Other Financial Assets	**12**	2.83	0.43	0.11	0.08
(c) Other Current Assets	**13**	50.39	121.19	180.19	249.56
Total Current Assets		**890.79**	**663.22**	**566.55**	**651.33**
TOTAL ASSETS		**2,463.04**	**2,246.49**	**1,866.80**	**1,240.21**
II EQUITY AND LIABILITIES					
A Equity					
(a) Equity Share Capital	**14A**	42.52	42.52	42.52	35.00
(b) Instruments Entirely Equity in Nature		-	-	-	-
(c) Other Equity	**14B**	864.91	756.37	522.40	350.76
Total Equity		**907.43**	**798.90**	**564.93**	**385.76**
B Liabilities					
1 Non- Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	**15**	761.36	803.57	813.37	375.96
(ii) Lease Liabilities	**16**	7.90	7.98	8.20	8.19
(iii) Other Financial Liabilities	**17**	-	-	-	-
(b) Long Term Provisions	**18**	8.57	7.48	5.45	3.68
(c) Deferred Tax Liabilities	**19**	48.74	51.60	15.03	-
(d) Other Non - Current Liabilities	**20**	-	-	-	-
Total Non - Current Liabilities		**826.57**	**870.64**	**842.04**	**387.83**
2 Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	**21**	307.60	246.09	158.33	119.37
(ii) Lease Liabilities	**22**	0.12	0.12	0.11	0.10
(iii) Trade Payables	**23**				
(A) total outstanding dues of micro enterprises and small enterprises		28.48	30.60	106.58	125.79
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		319.40	228.45	110.51	107.99

(iv) Other Financial Liabilities	**24**	2.39	1.84	1.52	1.29
(b) Short Term Provisions	**25**	7.70	7.27	6.84	5.61
(c) Liability for Current Tax (Net)	**26**	54.00	52.30	65.00	65.50
(d) Other Current Liabilities	**27**	9.35	10.29	10.94	40.96
Total Current Liabilities		**729.04**	**576.95**	**459.83**	**466.61**
TOTAL EQUITY AND LIABILITIES		**2,463.04**	**2,246.49**	**1,866.80**	**1,240.21**
Material Accounting Policies	**1**	**(0.00)**	**0.00**	**0.00**	**-**

The above statement should be read together with basis of preparation, measurement and material accounting policies forming part of the Restated Financial Information in Annexure V and notes to Restated Financial Information in Annexure VI

As per our Report of even date
For Talati & Talati LLP
Chartered Accountants
FRN: 110758W/W100377

CA Manish Baxi

Partner

Membership No. 045011
Place : Vadodara
Date : 03-03-2025

For and on behalf of Board of Directors
For Allchem Lifescience Limited
(Formerly Known as Allchem Lifescience Private Limited)

Mr. Bipin Patel	**Mr. Kantilal Patel**	**Mr Sachin Mistry**	**Mr Jigardan Gadhvi**
Managing Director	Director	Chief Financial Officer	Company Secretary & Compliance Officer
DIN 03386173	DIN 07691463		
Place : Vadodara	Place : Vadodara	Place : Vadodara	Place : Vadodara
Date : 03-03-2025	Date : 03-03-2025	Date : 03-03-2025	Date : 03-03-2025

Allchem Lifescience Limited (Formerly known as Allchem Lifescience Private Limited)
CIN - U24299GJ2017PLC095094
Annexure II - Restated Statement of Profit and Loss
All amounts are in INR Millions unless otherwise stated

Amount in Millions

Particulars	Note No.	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
CONTINUING OPERATIONS					
I INCOME					
Revenue from Operations	**28**	784.48	1,374.21	1,057.19	1,081.01
Other Income	**29**	0.83	6.45	3.07	13.16
Total Income		**785.30**	**1,380.66**	**1,060.27**	**1,094.17**
II EXPENSES					
Cost of Materials Consumed	**30**	457.74	742.71	633.80	684.12
Purchases of Traded Goods	**31**	-	-	-	-
Changes in Inventories of Finished Goods, Stock-In-Trade and	**32**	(127.71)	(78.47)	(58.59)	(48.40)
Employee Benefits Expense	**33**	68.39	113.38	97.52	78.97
Finance Costs	**34**	48.25	63.80	18.60	34.45
Depreciation and Amortization Expense	**35**	113.94	142.55	23.65	23.44
Other Expenses	**36**	64.48	73.69	80.04	117.14
Total Expenses		**625.10**	**1,057.66**	**795.03**	**889.72**
III Restated Profit / (loss) before Exceptional Items and Tax		**160.21**	**323.00**	**265.24**	**204.45**
IV Exceptional Item					
V Profit / (loss) before tax		**160.21**	**323.00**	**265.24**	**204.45**
VI Tax expense					
Current Tax	**37**	54.00	52.30	65.00	65.50
Deferred Tax Charge/(Credit)	**37**	(2.32)	36.61	20.35	(2.45)
MAT Credit	**37**	(0.39)	-	-	-
Tax in Respect of Earlier Years	**37**	-	-	-	-
VII Restated Profit/(Loss) for the year from Continuing Operations		**108.91**	**234.09**	**179.89**	**141.39**
VIII Other Comprehensive Income					
(i) Items that will not be Reclassified to Profit or Loss					
Remeasurements of Net Defined Benefit Plans		(0.53)	(0.12)	(1.41)	-
Income Tax Relating to Above Items		0.15	0.03	0.41	-
(ii) Items that will be reclassified to Profit or Loss					
Difference due to changes in foreign exchange reserves		-	-	-	-
Restated Other Comprehensive Income for the year, net of tax		**(0.38)**	**(0.08)**	**(1.00)**	**-**
IX Restated Total Comprehensive Income for the year		**108.53**	**234.01**	**178.88**	**141.39**
X Earnings per equity share of ₹ 10 each (for continuing operation):	**38**				
Basic EPS (₹)		1.42	3.06	2.36	2.24
Diluted EPS (₹)		1.42	3.06	2.36	2.24
Material Accounting Policies	**1**				

The above statement should be read together with basis of preparation, measurement and material accounting policies forming part of the Restated Financial Information in Annexure V and notes to Restated Financial Information in Annexure VI

As per our Report of even date
For Talati & Talati LLP
Chartered Accountants
FRN: 110758W/W100377

CA Manish Baxi
Partner
Membership No. 045011
Place : Vadodara
Date : 03-03-2025

For and on behalf of Board of Directors
For Allchem Lifescience Limited
(Formerly Known as Allchem Lifescience Private Limited)

Mr. Bipin Patel	**Mr. Kantilal Patel**	**Mr Sachin Mistry**	**Mr Jigardan Gadhvi**
Managing Director	Director	Chief Financial Officer	Company Secretary & Compliance Officer
DIN 03386173	DIN 07691463		
Place : Vadodara	Place : Vadodara	Place : Vadodara	Place : Vadodara
Date : 03-03-2025	Date : 03-03-2025	Date : 03-03-2025	Date : 03-03-2025

Allchem Lifescience Limited (Formerly known as Allchem Lifescience Private Limited)
CIN - U24299GJ2017PLC095094
Annexure III - Restated Statement of Cash Flows
All amounts are in INR Millions unless otherwise stated

Amount in Millions

Particulars	**Six months period ended 30th September 2024**	**Year ended 31st March 2024**	**Year ended 31st March 2023**	**Year ended 31st March 2022**
A. Cash Flow from Operating Activities				
Restated Profit before exceptional Items and tax as per statement of	**160.21**	**323.00**	**265.24**	**204.45**
Adjustments for:				
Depreciation and amortization expenses	113.94	142.55	23.65	23.44
Finance cost	48.25	63.80	18.60	34.45
Unrealised Foreign Exchange Loss	-	-	-	-
Sundry Balances written back	-	(0.04)	0.28	-
Dividend income	-	-	-	-
MAT Credit	-	-	-	-
Interest income	(0.29)	(0.36)	(0.12)	(0.31)
Rent Income	-	-	-	-
Remeasurements of net defined benefit plans	(0.53)	(0.12)	(1.41)	-
Gain of Sale of Mutual funds	-	-	-	(1.16)
(Profit)/ loss on sale of fixed assets (net)	-	(0.03)	-	-
Operating profit before working capital changes	**321.58**	**528.81**	**306.23**	**260.87**
Adjustments for:				
(Increase)/decrease in Trade Receivables	(111.08)	(79.05)	59.33	2.58
(Increase)/decrease in Inventories	(184.88)	(76.72)	(42.01)	(53.64)
(Increase)/decrease in Other Non current Financial Assets	-	(3.60)	(0.00)	5.24
(Increase)/decrease in Other Financial Assets	(2.39)	(0.32)	(0.03)	0.00
(Increase)/decrease in Other Non Current Assets	-	-	-	-
(Increase)/decrease in Bank Balance other than Cash and Cash Equivalent	-	-	-	-
(Increase)/decrease in Short Term Loans	0.03	(0.03)	(0.04)	(0.44)
(Increase)/decrease in Investment	-	-	-	-
(Increase)/decrease in Other Current Assets	70.80	59.01	69.37	(150.36)
Increase/(decrease) in Long Term Provisions	1.09	2.03	1.77	3.68
Increase/(decrease) in Other Non Current Liability	-	-	-	-
Increase/(decrease) in Trade & other payables	88.84	41.95	(16.69)	74.88
Increase/(decrease) in Short Term Provisions	0.43	0.43	1.23	2.65
Increase/(decrease) in Other Current Liabilities	(0.94)	(0.65)	(30.02)	9.73
Increase/(decrease) in Other Financial Liabilities	0.55	0.32	0.23	0.60
Increase/(decrease) in Other Long Term Financial Liabilities	-	-	-	-
Increase/(decrease) in Current Tax Liability	-	-	-	-
	184.02	**472.19**	**349.37**	**155.80**
Less: Direct taxes paid (net of refunds)	(52.30)	(65.00)	(65.50)	(47.67)
	131.72	**407.19**	**283.87**	**108.13**
Less: Exceptional Items	-	-	-	-
Net cash (used in) / generated from operating activities after exceptional items (A)	**131.72**	**407.19**	**283.87**	**108.13**
B. Cash Flow from Investing Activities				
Inflows				
Sale proceeds / (Purchase) of property, plant and equipment	-	0.52	1.72	-
Proceeds from Sale of Investments	-	-	-	7.16
Interest received	0.29	0.36	0.12	0.31
Rent Income	-	-	-	-
Additions in ROU Asset	-	-	-	(8.32)
Dividend received from others	-	-	-	-
Outflows				
Purchase of property, plant and equipment/ intangible assets	(102.93)	(422.45)	(741.67)	(367.29)
Purchase of investments	-	-	-	-
Net cash (used in) / generated from investing activities (B)	**(102.64)**	**(421.58)**	**(739.83)**	**(368.14)**

C. Cash Flow from Financing Activities				
Inflows				
Proceeds from issue of Shares	-	-	-	-
Receipt / Payment of Share application money	-	-	-	50.40
Outflows				
Long term borrowings - Received/(Repaid) (Net)	(42.22)	(9.79)	437.40	249.00
Short term borrowings - Received/(Repaid) (Net)	61.51	87.75	38.96	(13.82)
Dividend Paid	-	-	-	-
Increase / Decrease in Lease Liability	(0.08)	(0.21)	0.02	8.29
Finance Cost	(48.25)	(63.80)	(18.60)	(34.45)
Net cash (used in) / generated from financing activities (C)	**(29.03)**	**13.95**	**457.79**	**259.41**
Net Increase/(Decrease) in Cash and Bank Balances (A+B+C)	**0.05**	**(0.44)**	**1.83**	**(0.60)**
Add : Cash and cash equivalent at beginning of the year	1.75	2.19	0.36	0.96
Cash and cash equivalent at end of the year	**1.80**	**1.75**	**2.19**	**0.36**
Cash and Cash equivalent as per above comprises of the following				
Cash and Cash Equivalents (Refer Note 9)	**1.80**	**1.75**	**2.19**	**0.36**
Bank Balances Other Than Cash and Cash Equivalents (Refer Note 10)	**-**	**-**	**-**	**-**
Balances as per Statement of Cash Flows	**1.80**	**1.75**	**2.19**	**0.36**

The above statement should be read together with basis of preparation, measurement and material accounting policies forming part of the Restated Financial Information in Annexure V and notes to Restated Financial Information in Annexure VI

Notes:

(i) The cash flow statement has been prepared under the indirect method as set out in Ind AS 7, "Statement of Cash Flows", whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature. The cashflows from operating, investing and financing activities of the Group are segregated based on the available information.

(ii) Additions to property, plant, equipment and intangible assets include movements of capital work-in-progress and intangible assets under development respectively during the year.

As per our Report of even date
For Talati & Talati LLP
Chartered Accountants
FRN: 110758W/W100377

For and on behalf of Board of Directors
For Allchem Lifescience Limited
(Formerly Known as Allchem Lifescience Private Limited)

CA Manish Baxi	**Mr. Bipin Patel**	**Mr. Kantilal Patel**	**Mr Sachin Mistry**	**Mr Jigardan Gadhvi**
Partner	Managing Director	Director	Chief Financial Officer	Company Secretary & Compliance Officer
Membership No. 045011	DIN 03386173	DIN 07691463		
Place : Vadodara	Place : Vadodara	Place : Vadodara	Place : Vadodara	Place : Vadodara
Date : 03-03-2025	Date : 03-03-2025	Date : 03-03-2025	Date : 03-03-2025	Date : 03-03-2025

Allchem Lifescience Limited (Formerly known as Allchem Lifescience Private Limited)
CIN - U24299GJ2017PLC095094
Annexure IV - Restated Statement of Changes in Equity
All amounts are in INR Millions unless otherwise stated

(I) Equity Share Capital (Refer Note 14A)

Amount in Millions

Particulars	As at 30th September 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting year	**42,52,235**	**42.52**	**42,52,235**	**42.52**	**35,00,000**	**35.00**	**35,00,000**	**35.00**
Changes in Equity Share Capital due to prior period errors		-		-		-		-
Restated balance at the beginning of the current reporting year	**42,52,235**	**42.52**	**42,52,235**	**42.52**	**35,00,000**	**35.00**	**35,00,000**	**35.00**
Changes in Equity Share Capital during the year (net)		-		-	7,52,235	7.52		-
Balance at the end of the reporting year	**42,52,235**	**42.52**	**42,52,235**	**42.52**	**42,52,235**	**42.52**	**35,00,000**	**35.00**

(III) Other Equity (Refer Note 14B)

Amount in Millions

Particulars	Other Equity	Reserves and Surplus			Other Comprehensive Income (OCI)		Total
	Share Capital Pending Allotment	Securities Premium	General Reserves	Retained Earnings	Net gain/(loss) on FVTOCI equity investments	Remeasurement of defined benefit liability	
Balance as at 1st April 2021	**-**	**-**	**-**	**159.98**	**-**	**-**	**159.98**
Restated Net Profit for the year	-	-	-	141.39	-	-	141.39
Restated Other Comprehensive Income (Net of Tax)	-	-	-	-	-	-	-
Restated Total Comprehensive Income	**-**	**-**	**-**	**141.39**	**-**	**-**	**141.39**
Transfers during the year	-	-	-	-	-	-	-
Share capital pending allotment	50.40	-	-	-	-	-	50.40
Dividend Paid & DDT	-	-	-	-	-	-	-
Reversal of Unrealised gain on Mutual funds	-	-	-	(1.01)	-	-	(1.01)
Transfer to Foreign Currency Translation Reserve	-	-	-	-	-	-	-
Unrealised Profit on Stocks	-	-	-	-	-	-	-
Balance as at 31st March 2022	**50.40**	**-**	**-**	**300.36**	**-**	**-**	**350.76**
Restated Net Profit for the year	-	-	-	179.89	-	-	179.89
Restated Other Comprehensive Income (Net of Tax)	-	-	-	-	-	(1.00)	(1.00)
Restated Total Comprehensive Income	**-**	**-**	**-**	**179.89**	**-**	**(1.00)**	**178.88**
Transfers during the year / Buy Back of Pref Shares Shares	-	-	-	-	-	-	-
Converted into Share capital	(50.40)	42.88	-	-	-	-	(7.52)
Dividend Paid & DDT / Utilisation of Reserves	-	-	-	-	-	-	-
Excess Proviison w/off	-	-	-	0.28	-	-	0.28
Unrealised Profit on Stocks	-	-	-	-	-	-	-
Balance as at 31st March 2023	**-**	**42.88**	**-**	**480.53**	**-**	**(1.00)**	**522.40**
Restated Net Profit for the year	-	-	-	234.09	-	-	234.09
Restated Other Comprehensive Income (Net of Tax)	-	-	-	-	-	(0.08)	(0.08)
Restated Total Comprehensive Income	**-**	**-**	**-**	**234.09**	**-**	**(0.08)**	**234.01**
Transfers during the year / Buy Back of Pref Shares Shares	-	-	-	-	-	-	-
Converted into Share capital	-	-	-	-	-	-	-
Dividend Paid & DDT / Utilisation of Reserves	-	-	-	-	-	-	-
Excess Proviison w/off	-	-	-	(0.04)	-	-	(0.04)
Unrealised Profit on Stocks	-	-	-	-	-	-	-
Balance as at 31st March 2024	**-**	**42.88**	**-**	**714.58**	**-**	**(1.08)**	**756.37**
Restated Net Profit for the period of six months ended 30th Septemeber 2024.	-	-	-	108.91	-	-	108.91
Restated Other Comprehensive Income (Net of Tax)	-	-	-	-	-	(0.38)	(0.38)

Restated Total Comprehensive Income	**-**	**-**	**-**	**108.91**	**-**	**(0.38)**	**108.53**
Transfers during the year / Buy Back of Pref Shares Shares	-	-	-	-	-	-	-
Dividend Paid & DDT / Utilisation of Reserves	-	-	-	-	-	-	-
Transfer to Foreign Currency Translation Reserve	-	-	-	-	-	-	-
Unrealised Profit on Stocks	-	-	-	-	-	-	-
Balance as at 30th September 2024	**-**	**42.88**	**-**	**823.49**	**-**	**(1.46)**	**864.91**

The above statement should be read together with basis of preparation, measurement and material accounting policies forming part of the Restated Financial Information in Annexure V and notes to Restated Financial Information in Annexure VI

As per our Report of even date

For Talati & Talati LLP
Chartered Accountants
FRN: 110758W/W100377

For and on behalf of Board of Directors
For Allchem Lifescience Limited
(Formerly Known as Allchem Lifescience Private Limited)

CA Manish Baxi
Partner
Membership No. 045011
Place : Vadodara
Date : 03-03-2025

Mr. Bipin Patel
Managing Director
DIN 03386173
Place : Vadodara
Date : 03-03-2025

Mr. Kantilal Patel
Director
DIN 07691463
Place : Vadodara
Date : 03-03-2025

Mr Sachin Mistry
Chief Financial Officer
Place : Vadodara
Date : 03-03-2025

Mr Jigardan Gadhvi
Company Secretary & Compliance Officer
Place : Vadodara
Date : 03-03-2025

Allchem Lifescience Limited (Formerly known as Allchem Lifescience Private Limited)
CIN - U24299GJ2017PLC095094
Annexure VI - Notes to Restated Financial Information
All amounts are in INR Millions unless otherwise stated

2A Property Plant and Equipments

Amount in Millions

Particulars	Freehold Land	Factory Building	Plant & Machinery	Lab Equipments	Electrical Installation	Books	Furniture	Computers	Vehicles	Office Equipments	Total
Gross Carrying Amount											
Balance as at 1st April 2021	**62.00**	**76.17**	**142.47**	**10.89**	**6.35**	**0.24**	**9.30**	**2.02**	**10.25**	**1.44**	**321.13**
Additions during the year	-	0.13	2.50	0.78	-	-	-	0.44	2.53	0.28	6.66
Disposals/adjustments during the year	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2022	**62.00**	**76.30**	**144.97**	**11.66**	**6.35**	**0.24**	**9.30**	**2.46**	**12.78**	**1.72**	**327.78**
Additions during the year	-	189.92	364.38	0.56	23.47	-	0.31	1.27	2.23	0.13	582.27
Disposals/adjustments during the year	-	-	(1.72)	-	-	-	-	-	-	-	(1.72)
Balance as at 31st March 2023	**62.00**	**266.22**	**507.62**	**12.23**	**29.82**	**0.24**	**9.61**	**3.73**	**15.01**	**1.85**	**908.33**
Additions during the year	-	217.93	545.03	0.88	76.90	-	0.03	0.12	0.60	0.11	841.59
Disposals/adjustments during the year	-	-	(0.15)	-	(0.57)	-	-	-	-	-	(0.72)
Balance as at 31st March 2024	**62.00**	**484.14**	**1,052.50**	**13.10**	**106.15**	**0.24**	**9.64**	**3.85**	**15.61**	**1.95**	**1,749.20**
Additions during the six month period ended 30th September 2024	-	80.00	36.79	-	1.77	-	-	-	-	-	118.56
Disposals/adjustments during the six month period ended 30th September 2024	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30th September 2024	**62.00**	**564.14**	**1,089.30**	**13.10**	**107.92**	**0.24**	**9.64**	**3.85**	**15.61**	**1.95**	**1,867.76**
Accumulated Depreciation											
Balance as at 1st April 2021	**-**	**23.65**	**66.98**	**5.53**	**4.33**	**-**	**6.25**	**1.84**	**6.69**	**0.96**	**116.23**
Additions during the year	-	5.00	13.81	1.53	0.56	-	0.80	0.13	1.18	0.31	23.33
Disposals/adjustments during the year	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2022	**-**	**28.65**	**80.79**	**7.06**	**4.89**	**-**	**7.05**	**1.96**	**7.87**	**1.27**	**139.55**
Additions during the year	-	4.82	12.50	0.93	0.77	0.02	0.64	0.92	2.03	0.23	22.86
Disposals/adjustments during the year	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2023	**-**	**33.47**	**93.29**	**7.99**	**5.66**	**0.02**	**7.69**	**2.88**	**9.91**	**1.50**	**162.42**
Additions during the year	-	26.16	99.93	0.77	12.01	0.02	0.50	0.51	1.68	0.18	141.77
Disposals/adjustments during the year	-	-	(0.04)	-	(0.20)	-	-	-	-	-	(0.24)
Balance as at 31st March 2024	**-**	**59.64**	**193.19**	**8.76**	**17.47**	**0.04**	**8.19**	**3.39**	**11.59**	**1.68**	**303.95**
Additions during the six month period ended 30th September 2024	-	20.21	80.61	0.39	11.54	0.01	0.18	0.04	0.61	0.06	113.64
Disposals/adjustments during the six month period ended 30th September 2024	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30th September 2024	**-**	**79.84**	**273.79**	**9.15**	**29.02**	**0.05**	**8.37**	**3.42**	**12.20**	**1.74**	**417.59**
Net Carrying Amount											
Balance as at 1st April 2021	**62.00**	**52.52**	**75.49**	**5.36**	**2.02**	**0.24**	**3.05**	**0.18**	**3.56**	**0.49**	**204.90**
Balance as at 31st March 2022	**62.00**	**47.65**	**64.18**	**4.60**	**1.46**	**0.24**	**2.25**	**0.50**	**4.91**	**0.45**	**188.23**
Balance as at 31st March 2023	**62.00**	**232.75**	**414.33**	**4.23**	**24.16**	**0.22**	**1.92**	**0.85**	**5.11**	**0.35**	**745.91**
Balance as at 31st March 2024	**62.00**	**424.51**	**859.32**	**4.34**	**88.68**	**0.20**	**1.46**	**0.46**	**4.03**	**0.27**	**1,445.25**
Balance as at 30th September 2024	**62.00**	**484.30**	**815.50**	**3.95**	**78.91**	**0.19**	**1.28**	**0.42**	**3.42**	**0.21**	**1,450.17**

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All amounts are in INR Millions unless otherwise stated

2A.: The title deeds of immovable properties which are not held in the name of the Group are as indicated below:

(i) As at 30th September 2024

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
Property Plant & Equipments	-	-	-	-	-	-
Investment property	-	-	-	-	-	-
PPE retired from active use and held for disposal	-	-	-	-	-	-

(ii) As at 31st March 2024

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
Property Plant & Equipments	-	-	-	-	-	-
Investment property	-	-	-	-	-	-
PPE retired from active use and held for disposal	-	-	-	-	-	-

(iii) As at 31st March 2023

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
Property Plant & Equipments	-	-	-	-	-	-
Investment property	-	-	-	-	-	-
PPE retired from active use and held for disposal	-	-	-	-	-	-

(iv) As at 31st March 2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
Property Plant & Equipments	-	-	-	-	-	-
Investment property	-	-	-	-	-	-
PPE retired from active use and held for disposal	-	-	-	-	-	-

2B Capital Work in Progress

Amount in Millions

Particulars	Tangible Assets under Construction or Installation
Balance as at 1st April 2021	**22.27**
Additions during the year	360.64
Capitalised during the year	-
Balance as at 31st March 2022	**382.91**
Additions during the year	157.79
Capitalised during the year	-
Balance as at 31st March 2023	**540.69**
Additions during the year	579.93
Capitalised during the year	(999.07)
Balance as at 31st March 2024	**121.55**
Additions during the six months period ended 30th September 2024	140.97
Capitalised during the six months period ended 30th September 2024	(156.61)
Balance as at 30th September 2024	**105.92**

2B.1 Capital Work in Progress

(i) As at 30th September 2024

Amount in Millions

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Tangible Assets under Construction or Installation
Projects in progress	27.36	78.55	-	-	**105.92**
Projects temporarily suspended	-	-	-	-	**-**

* None of the projects has exceeded it's cost compared to it's original plan

(ii) As at 31st March 2024

Amount in Millions

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Tangible Assets under Construction or Installation
Projects in progress	121.55	-	-	-	**121.55**
Projects temporarily suspended	-	-	-	-	**-**

* None of the projects has exceeded it's cost compared to it's original plan

(iii) As at 31st March 2023

Amount in Millions

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Tangible Assets under Construction or Installation
Projects in progress	157.78	360.64	22.27	-	**540.69**
Projects temporarily suspended	-	-	-	-	**-**

* None of the projects has exceeded it's cost compared to it's original plan

(iv) As at 31st March 2022

Amount in Millions

Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Tangible Assets under Construction or Installation**
Projects in progress	360.64	22.27	-	-	**382.91**
Projects temporarily suspended	-	-	-	-	**-**

* None of the projects has exceeded it's cost compared to it's original plan

3 Intangible Assets

Amount in Millions

Particulars	**Computer Software**
Gross Carrying Amount	
Balance as at 1st April 2021	-
Additions during the year	-
Disposals/adjustments during the year	-
Balance as at 31st March 2022	**-**
Additions during the year	1.62
Disposals/adjustments during the year	-
Balance as at 31st March 2023	**1.62**
Additions during the year	-
Disposals/adjustments during the year	-
Balance as at 31st March 2024	**1.62**
Additions during the six month period ended 30th September 2024	-
Disposals/adjustments during the six month period ended 30th September 2024	-
Balance as at 30th September 2024	**1.62**
Accumulated Depreciation	
Balance as at 1st April 2021	-
Additions during the year	-
Disposals/adjustments during the year	-
Balance as at 31st March 2022	**-**
Additions during the year	0.46
Disposals/adjustments during the year	-
Balance as at 31st March 2023	**0.46**
Additions during the year	0.45
Disposals/adjustments during the year	-
Balance as at 31st March 2024	**0.91**
Additions during the six month period ended 30th September	**0.14**
Disposals/adjustments during the six month period ended 30th September 2024	-
Balance as at 30th September 2024	**1.05**
Net Carrying Amount	
Balance as at 1st April 2021	
Balance as at 31st March 2022	**-**
Balance as at 31st March 2023	**1.16**
Balance as at 31st March 2024	**0.70**
Balance as at 30th September 2024	**0.56**

4 Right of Use Assets

Amount in Millions

Particulars	Right of Use
Gross Carrying Amount	
Balance as at 1st April 2021	-
Additions during the year	**8.32**
Disposals/adjustments during the year	**-**
Balance as at 31st March 2022	**8.32**
Additions during the year	-
Disposals/adjustments during the year	**-**
Balance as at 31st March 2023	**8.32**
Additions during the year	**-**
Disposals/adjustments during the year	**-**
Balance as at 31st March 2024	**8.32**
Additions during the six month period ended 30th September 2024	**-**
Disposals/adjustments during the six month period ended 30th September 2024	**-**
Balance as at 30th September 2024	**8.32**
Accumulated Depreciation	
Balance as at 1st April 2021	-
Additions during the year	**0.11**
Disposals/adjustments during the year	**-**
Balance as at 31st March 2022	**0.11**
Additions during the year	0.33
Disposals/adjustments during the year	**-**
Balance as at 31st March 2023	**0.44**
Additions during the year	0.33
Disposals/adjustments during the year	**-**
Balance as at 31st March 2024	**0.77**
Additions during the six month period ended 30th September 2024	**0.16**
Disposals/adjustments during the six month period ended 30th September 2024	**-**
Balance as at 30th September 2024	**0.93**
Net Carrying Amount	
Balance as at 1st April 2021	
Balance as at 31st March 2022	**8.21**
Balance as at 31st March 2023	**7.88**
Balance as at 31st March 2024	**7.55**
Balance as at 30th September 2024	**7.39**

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All amounts are in INR Millions unless otherwise stated

5 Other Non - Current Financial Assets

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Deposit with MGVCL	7.05	7.05	3.50	3.50
Rent Deposits	0.33	0.33	0.33	0.33
Gas Deposit	0.10	0.10	0.10	0.10
Other Deposit (Enviro Infrastructure Co.)	0.61	0.61	0.61	0.61
Deposits with Revenue Authorities	0.13	0.13	0.08	0.08
Total	**8.21**	**8.21**	**4.61**	**4.61**

6 Other Non - Current Assets

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Advances to Vendor for Capital Goods	-	-	-	-
Total	**-**	**-**	**-**	**-**

7 Inventories

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Raw Materials	122.44	65.27	67.03	83.61
Work-in Progress	272.37	138.41	59.79	33.75
Finished goods	24.73	40.77	25.77	8.90
Stocks In Transit (Finished Goods)	27.74	17.94	33.09	17.41
Total	**447.28**	**262.40**	**185.68**	**143.67**

8 Trade Receivables

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Unsecured, considered good	387.85	276.77	197.35	256.68
Less: Provision for Expected Credit Allowances (Refer Note 46)	(0.37)	(0.37)	-	-
Total	**387.47**	**276.40**	**197.35**	**256.68**

8.1 Trade Receivables Ageing Schedule

As at 30th September 2024

Amount in Millions

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivables — considered good	387.47	-	0.37	-	-	387.84
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	(0.37)	-	-	(0.37)
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

As at 31st March 2024

Amount in Millions

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivables — considered good	272.29	4.11	0.37	-	-	276.77
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	(0.37)	-	-	(0.37)
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

Allchem Lifescience Limited (Formerly known as Allchem Lifescience Private Limited)
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All amounts are in INR Millions unless otherwise stated

As at 31st March 2023

Amount in Millions

Particulars		Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More than 3 years	
(i)	Undisputed Trade receivables — considered good	197.34	0.01	-	-	-	197.35
(ii)	Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv)	Disputed Trade Receivables — considered good	-	-	-	-	-	-
(v)	Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

As at 31st March 2022

Amount in Millions

Particulars		Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More than 3 years	
(i)	Undisputed Trade receivables — considered good	256.68	-	-	-	-	256.68
(ii)	Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv)	Disputed Trade Receivables — considered good	-	-	-	-	-	-
(v)	Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade Receivables — credit impaired	-	-	-	-	-	-

Allchem Lifescience Limited (Formerly known as Allchem Lifescience Private Limited)
CIN - U24299GJ2017PLC095094
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All amounts are in INR Millions unless otherwise stated

9 Cash and Cash Equivalents

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Cash on hand	0.47	0.44	0.39	0.35
Balances with Schedule Banks - In current accounts	0.03	-	0.49	0.00
HDFC Bank CSR Account	1.31	1.31	1.31	-
Total	**1.80**	**1.75**	**2.19**	**0.36**

10 Bank Balances Other than Cash and Cash Equivalents

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Margin Money Deposits - Original maturity more than 3 months but less than / equal to 12 months	-	-	-	-
Total	**-**	**-**	**-**	**-**

11 Loans & Advances

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
(i) Loans to Related Parties				
Unsecured - considered good	-	-	-	-
(ii) Loans to employees				
Unsecured - considered good				
(a) Loans given	1.03	1.06	1.03	0.99
(b) Advances given	-	-	-	-
Total	**1.03**	**1.06**	**1.03**	**0.99**

12 Other Financial Assets

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Interest Receivable on MGVCL Deposit	0.40	0.43	0.11	0.08
Other Receivables*	2.43	-	-	-
Total	**2.83**	**0.43**	**0.11**	**0.08**

*Note : During the FY 2024-25, the Company, Allchem Lifescience Limited (Formerly known as Allchem Lifescience Private Limited), has initiated the process of filing Draft Red Herring Prospectus in connection with the Proposed Initial Public Offer of the Company by way of Fresh issue of Equity Shares and Offer for sale (OFS) by the selling shareholders. Accordingly, expenses incurred by the Company in connection with the preparation & proposed filing of Draft Red Herring Prospectus and Proposed IPO of the Company till 30th September 2024 amounting to Rs. 2.43 Millions have been shown under “Current Financial Assets as Other Receivables, in absence of availability of ratio of Fresh Issue and Offer for Sale as the same is not yet fixed by the Company.

13 Other Current Assets

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Prepaid expenses	1.05	1.26	1.25	1.85
Other Advances	0.00	0.00	-	-
Contract Assets (Advances to Suppliers)				
(a) To Related Parties	-	-	-	-
(b) To Others	-	9.68	9.59	117.34
Balances with Government Authorities				
(a) Advance Income Tax	15.00	79.00	67.50	74.50
(b) TDS Receivable	0.31	0.76	1.49	0.38
(c) TCS Receivable	0.00	0.04	0.10	0.18
(d) GST Credit	(0.63)	14.10	76.01	19.98
(e) Income Tax Refund receivable	27.49	-	-	0.27
(f) Export - Duty Draw Back Receivable	0.18	0.56	4.31	3.94
(g) IGST Refund	6.97	15.79	19.93	31.07
(h) Excise Duty	-	-	-	0.05
Total	**50.39**	**121.19**	**180.19**	**249.56**

All amounts are in INR Millions unless otherwise stated

14A Equity Share Capital

Particulars	As at 30th September 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
	Equity Shares of ₹ 10 each		Equity Shares of ₹ 10 each		Equity Shares of ₹ 10 each		Equity Shares of ₹ 10 each	
Authorised Share Capital								
Equity Shares Capital	1,00,00,000	100.00	1,00,00,000	100.00	1,00,00,000	100.00	1,00,00,000	100.00

Particulars	As at 30th September 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
	Equity Shares of ₹ 10 each		Equity Shares of ₹ 10 each		Equity Shares of ₹ 10 each		Equity Shares of ₹ 10 each	
Issued, subscribed and paid up Capital								
Equity Shares Capital	42,52,235	42.52	42,52,235	42.52	42,52,235	42.52	35,00,000	35.00
Total	**42,52,235**	**42.52**	**42,52,235**	**42.52**	**42,52,235**	**42.52**	**35,00,000**	**35.00**

Notes:

(a) Reconciliation of number of shares

Particulars	As at 30th September 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity Shares :								
Balance as at the beginning of the year	**42,52,235**	**42.52**	**42,52,235**	**42.52**	**35,00,000**	**35.00**	**35,00,000**	**35.00**
Impact of share split during the year	-	-	-	-	-	-	-	-
Shares issued during the year	-	-	-	-	7,52,235	7.52	-	-
Shares cancelled back during the year	-	-	-	-	-	-	-	-
Balance as at the end of the year	**42,52,235**	**42.52**	**42,52,235**	**42.52**	**42,52,235**	**42.52**	**35,00,000**	**35.00**

(b) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Holding Company

Particulars	As at 30th September 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	Number of shares	% of holding	Number of shares	% of holding	Number of shares	% of holding	Number of shares	% of holding
Bipin Patel	29,76,565	70.00%	29,76,565	70.00%	29,76,565	70.00%	24,50,000	70.00%
kantibhai Patel	6,37,310	14.99%	6,37,835	15.00%	6,37,835	15.00%	5,25,000	15.00%
Manisha Patel	6,36,835	14.98%	6,37,835	15.00%	6,37,835	15.00%	5,25,000	15.00%

All amounts are in INR Millions unless otherwise stated

(d) Disclosure of Shareholding of Promoters:

Shares held by promoters at the end of the six months period i.e 30th September 2024 :

Promoter Name	As at 30th September 2024		As at 31st March 2024		Change during the year	% Change during the year
	Number of shares	% of total shares	Number of shares	% of total shares		
Bipin Patel	29,76,565	70.00%	29,76,565	70.00%	-	0.00%
kantibhai Patel	6,37,310	14.99%	6,37,835	15.00%	(525)	0.01%
Manisha Patel	6 36,835	14.98%	6,37,835	15.00%	(1000)	-0.02%

Shares held by promoters at the end of the year i.e 31st March 2024 :

Promoter Name	As at 31st March 2024		As at 31st March 2023		Change during the year	% Change during the year
	Number of shares	% of total shares	Number of shares	% of total shares		
Bipin Patel	29,76,565	70.00%	29,76,565	70.00%	-	0.00%
kantibhai Patel	6,37,835	15.00%	6,37,835	15.00%	-	0.00%
Manisha Patel	6,37,835	15.00%	6,37,835	15.00%	-	0.00%

Shares held by promoters at the end of the year i.e 31st March 2023 :

Promoter Name	As at 31st March 2023		As at 31st March 2022		Change during the year	% Change during the year
	Number of shares	% of total shares	Number of shares	% of total shares		
Bipin Patel	29,76,565	70.00%	24,50,000	70.00%	5,26,565	0.00%
kantibhai Patel	6,37,835	15.00%	5,25,000	15.00%	1,12,835	0.00%
Manisha Patel	6,37,835	15.00%	5,25,000	15.00%	1,12,835	0.00%

Shares held by promoters at the end of the year i.e 31st March 2022 :

Promoter Name	As at 31st March 2022		As at 31st March 2021		Change during the year	% Change during the year
	Number of shares	% of total shares	Number of shares	% of total shares		
Bipin Patel	24,50,000	70.00%	24,50,000	70.00%	-	0.00%
kantibhai Patel	5,25,000	15.00%	5,25,000	15.00%	-	0.00%
Manisha Patel	5,25,000	15.00%	5,25,000	15.00%	-	0.00%

(e) Events after Reporting period :

(i) Pursuant to the resolution passed by the board of directors of the Company held on December 20, 2024, the Authorised Equity Share Capital of the Company has been increased from Rs. 100 Millions (1,00,00000 Equity shares) to Rs. 900 Millions consisting of 9,00,00,000 Equity Shares of Rs. 10 each.

(ii) Pursuant to the resolution passed by the board of directors of the company held on December 20, 2024, the Company has approved the issuance of 17 Bonus shares of face value of Rs. 10 each for every 1 existing fully paid up Equity shares of face value of Rs. 10.

Resolution for allotment of these shares was approved by the board of directors on February 28, 2025 and 7,22,87,995 bonus shares having face value of Rs. 10/- were issued resulting to 7,65,40,230 total number of equity shares of the Company having face value of Rs. 10/- each. The Company has issued bonus shares in accordance with Section 63 of the Companies Act, 2013.

The impact of issuance of bonus shares has been accordingly considered for the Computation of Earnings Per Share as per the requirement of Ind AS 33 - Earning Per Share.

14B Other Equity

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
(i) Share Capital Pending Allotment				
Balance at the beginning of the period/year	**-**	**-**	**50.40**	**-**
Issue of Shares/ Share Application Money Received	-	-	-	50.40
Converted into Share Capital	-	-	(50.40)	-
Balance at the end of the period/year (A)	**-**	**-**	**-**	**50.40**
(ii) Securities Premium				
Balance at the beginning of the period/year	**42.88**	**42.88**	**-**	**-**
Transfer to General Reserves	-	-	-	-
Amount received on issue of shares	-	-	42.88	-
Transfer from Retained Earnings / Utilisation of Reserves	-	-	-	-
Balance at the end of the period/year (B)	**42.88**	**42.88**	**42.88**	**-**
(iii) Retained Earnings				
Balance at the beginning of the period/year	**714.58**	**480.53**	**300.36**	**159.98**
Restated Profit for the period/year	108.91	234.09	179.89	141.39
Transfers during the period/year (Net)	-	-	-	-
Reversal of Unrealised Gain of Mutual Funds	-	-	-	(1.01)
Excess Provision Written off	-	(0.04)	0.28	-
Balance at the end of the period/year (C)	**823.49**	**714.58**	**480.53**	**300.36**
(Iv) Remeasurement of Defined Benefit Liability (OCI)				
Balance at the beginning of the period/year	**(1.08)**	**(1.00)**	**-**	**-**
Movement during the period/year	(0.38)	(0.08)	(1.00)	-
Transfer from Retained Earnings	-	-	-	-
Balance at the end of the period/year (D)	**(1.46)**	**(1.08)**	**(1.00)**	**-**
Total (A+B+C+D)	**864.91**	**756.37**	**522.40**	**350.76**

Notes:

(i) Share Capital Pending Allotment
The issue price of the shares issued by the Company had been recognized in the Share Capital Pending Allotment Account.

(ii) Security Premium
Securities Premium showing value of share issued at a higher amount than face value

(iii) Retained Earnings
Retained earnings are the profits that the Company has earned till date, less any transfers to any other reserves, dividends or other distributions paid to shareholders.

15 Non - Current Borrowings

Amount in Millions

		As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Particulars					
Secured					
(i)	**Term Loans from banks (a+b)**	**662.46**	**676.56**	**734.55**	**305.83**
(a)	HDFC Bank Ltd	333.82	346.06	350.00	139.86
	Less: Current Maturity of Long-term Debts (Refer Note 21)	(27.46)	(25.61)	(3.94)	-
		306.36	320.46	346.06	139.86
(b)	State Bank of India	375.08	388.48	407.15	176.04
	Less: Current Maturity of Long-term Debts (Refer Note 21)	(18.98)	(32.38)	(18.66)	(10.08)
		356.10	356.10	388.48	165.97
(ii)	**Vehicle Loans (c)**	**1.48**	**1.89**	**2.67**	**2.29**
(c)	HDFC Bank	2.29	2.67	3.39	2.78
	Less: Current Maturity of Long-term Debts (Refer Note 21)	(0.81)	(0.78)	(0.72)	(0.49)
		1.48	1.89	2.67	2.29
Unsecured					
(iii)	**Unsecured Loan from Related Parties (d+e)**	**97.42**	**125.12**	**76.15**	**67.85**
(d)	Loans from Directors and Shareholders	130.00	92.79	45.83	39.36
	Less: Current Maturity of Long-term Debts (Refer Note 21)	(32.58)	-	-	-
		97.42	92.79	45.83	39.36
(e)	Loans from Relatives of Directors	-	32.33	30.31	28.48
	Less: Current Maturity of Long-term Debts (Refer Note 21)	-			
		-	32.33	30.31	28.48
Total (i + ii + iii)		**761.36**	**803.57**	**813.37**	**375.96**

(A) The details of repayment terms, rate of interest, and nature of securities provided in respect of secured term loans from banks are as below:

Amount in Millions

Nature of Security	Repayment Terms and Rate of Interest	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Term loan includes loan obtained by Company from HDFC Bank. The above loan is secured by way of following: (i) Primary Security - Debtors , Export Debtors, P&M, PG, Stock and Stock for Export (ii) Collateral Security - Equitable mortgage charge on Block No. 1088A, 1088B, 1088/p, Savli, Lamdapura, Manjusar, Savli, Guiarat, 390021 (iii) Collateral Security - Equitable mortgage Survey No. 65, Kotambi, Waghodia, Vadodarai, Guiarat, 390021 (iv) Collateral Security - Equitable mortgage charge on Block No.175, Paldi, Manjusar, Savli, Guiarat, 390021 (V) Collateral Security - Equitable mortgage charge on Ff-1, Ff-2, Ff-57, Jetalpur Trident Complex, Jetalpur, Vadodara, Gujarat 390021	INR 350 Millions is obtained which is repayable over the period of 119 equal monthly instalments Rate of Interest - 9.50% p.a Penal Interest - 2% p.a over and above applicable rate	333.82	346.06	350.00	139.86

Term loan includes loan obtained by Company from State Bank of India The above loan is secured by way of following: (i) First Pari Passu Hypothecation charge on stocks, book debts and all other current assets of the Company (ii) All the piece and parcel of property situated within registration district-Vadodara in the sim of village jetalpur, bearing r.s. No. 59 & 61/1, part admeasuring 8385 sq. mtrs. city Survey no 340 to 349 on which "trident commerical complex" is constrcuted, first floor, shop no. ff-01 adm. 38.51 Square meters (carpet area) in the name of Mr. Bipin Kantilal Patel (iii) All the piece and parcel of property situated within registration district-Vadodara in the sim of village jetalpur, bearing r.s. No. 59 & 61/1, part admeasuring 8385 sq. mtrs. city Survey no 340 to 349 on which "trident commerical complex" is constrcuted, first floor, shop no. ff-02 adm. 38.51 Square meters (carpet area) in the name of Mrs. Manisha Bipin Patel (iv) All the piece and parcel of property situated within registration district-Vadodara in the sim of village jetalpur, bearing r.s. No. 59 & 61/1, part admeasuring 8385 sq. mtrs. city Survey no 340 to 349 on which "trident commerical complex" is constrcuted, first floor, shop no. ff-57 adm. 41.66 Square meters (carpet area) in the name of Mrs. Manguben Kantilal Patel (v) All the piece and parcel of property situated within registration district-Vadodara sub dist. Waghodia NA land bearing S.No. 625 area adm. 14366 sq. mtr. i.e. 154578.16 sq. ft. construction are adm. 1036.71 sq mtr. i.e. 11155 sq. ft. Kotambi, Ta-Waghodia Dist. Vadodara in the name of Company (vi) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing old S. No. 18/2, Block/S.No. 175, area adm 20943 sq. mtr. Mouje -Paldi, Ta. Savli Dist. Baroda Sub Dist. Savli in the name of Company (vii) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B Paiki area adm. 9386.61 paiki southern side portion area adm. 3812.67 sq. mtr. mouje. Manjusar in the name of Company (viii) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B Paiki area adm. 13940 paiki sq. mtr. & 758 sq. mtr. Total area adm. 14698 sq. mtr. mouje. Manjusar in the name of Company (ix) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/A, old S.No 1483 & 1475 area adm. 0-57-66 sq. mtr. mouje. Manjusar in the name of Company	INR 396 Millions is obtained which is repayable over the period of 96 equal monthly instalments INR 9 Millions is obtained	375.08	388.48	407.15	176.04
(x) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B, old S.No 1472, 1473, 1474, 1476, 1477, 1478, 1480, 1481, 1482 & 1484 total area adm. 70414 sq. mtr. paikee 1298 sq. mtr mouje. Manjusar in the name of Company					

(xi) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B paiki area adm. 7419 sq. mtr. Paiki area adm. 7419 sqr mtr paiki eastern side portion area adm. 952 sq. mtr, mouje manjusar in the name of Company (xii) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B paiki area adm. 9386.61 sq. mtr. Paiki area adm. 5574.14 sqr mtr mouje manjusar in the name of Company (xiii) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B paiki area adm. 3750 sq. mtr. mouje manjusar in the name of Company (xiv) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B paiki area adm. 3750 sq. mtr. mouje manjusar in the name of Company (xv) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B paiki area adm. 3635.38 sq. mtr. mouje manjusar in the name of Company (xvi) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B paiki area adm. 7419 sq. mtr. Paiki area land adm. 1125 sqr mtr mouje manjusar in the name of Company (xvii) It is further secured by way of personal guarantee of Mr Bipinbhai Patel , Mr Kantibhai Patel , Mrs Manguben Patel and Mrs Manishaben Patel.	Rate of Interest - Applicable Rate Penal Interest - 2% p.a				

(B) The details of repayment terms, rate of interest, and nature of securities provided in respect of vehicle loans from banks are as below:

Amount in Millions

Nature of Security	Repayment Terms and Rate of Interest	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Vehicle (BMW Car) loan includes loan obtained by Company from HDFC Bank. Vehicle Loan is secured by way of Hypothecation of respective Vehicle	INR 2.69 Millions vehicle loan obtained and repayable in 52 monthly equal installments Rate of Interest - As per agreed terms	1.40	1.71	2.29	2.78
Vehicle (Verna Car) loan includes loan obtained by Company from HDFC Bank. Vehicle Loan is secured by way of Hypothecation of respective Vehicle	INR 1.21 Millions vehicle loan obtained and repayable in 84 monthly equal installments Rate of Interest - As per agreed terms	0.89	0.96	1.11	-

(C) The details of repayment terms, rate of interest, and nature of securities provided in respect of loans from related parties are as below:

Amount in Millions

Nature of Security	Repayment Terms and Rate of Interest	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Loan from Related Parties includes loan obtained by Company from Bipin Patel	The Loan will be repaid in 36 equal monthly installment starting from 31.01.2025 and will be repaid by 31.12.2027 (Including Moratorium Period of 3 Months Rate of Interest - 10% p.a	46.00	42.97	11.71	9.28
Loan from Related Parties includes loan obtained by Company from Manisha Patel	The Loan will be repaid in 36 equal monthly installment starting from 31.01.2025 and will be repaid by 31.12.2027 (Including Moratorium Period of 3 Months Rate of Interest - 10% p.a	19.00	19.09	14.03	12.96
Loan from Related Parties includes loan obtained by Company from Kantibhai Patel	The Loan will be repaid in 36 equal monthly installment starting from 31.01.2025 and will be repaid by 31.12.2027 (Including Moratorium Period of 3 Months Rate of Interest - 10% p.a	33.00	30.74	20.09	17.12
Loan from Related Parties includes loan obtained by Company from Manguben Patel	The Loan will be repaid in 36 equal monthly installment starting from 31.01.2025 and will be repaid by 31.12.2027 (Including Moratorium Period of 3 Months Rate of Interest - 10% p.a	14.30	14.32	13.23	12.22
Loan from Related Parties includes loan obtained by Company from Aditi Patel	The Loan will be repaid in 36 equal monthly installment starting from 31.01.2025 and will be repaid by 31.12.2027 (Including Moratorium Period of 3 Months Rate of Interest - 10% p.a	11.60	11.65	11.04	10.52
Loan from Related Parties includes loan obtained by Company from Dhruvin Patel	The Loan will be repaid in 36 equal monthly installment starting from 31.01.2025 and will be repaid by 31.12.2027 (Including Moratorium Period of 3 Months Rate of Interest - 10% p.a	6.10	6.36	6.05	5.75

Allchem Lifescience Limited (Formerly known as Allchem Lifescience Private Limited)
CIN - U24299GJ2017PLC095094
Annexure VI - Notes to Restated Financial Information
All amounts are in INR Millions unless otherwise stated

16 Non - Current Lease Liabilities

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Lease Liability	8.02	8.10	8.31	8.29
Less : Current Maturities of Lease Liability (Refer Note 22)	(0.12)	(0.12)	(0.11)	(0.10)
Total	**7.90**	**7.98**	**8.20**	**8.19**

17 Other Non - Current Financial Liablities

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Other Non Current Financial Liabilities	-	-	-	-
Total	**-**	**-**	**-**	**-**

18 Long Term Provisions

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Provision for Retirement Benefits (Refer Note 39)	10.00	8.60	6.84	4.50
Less: Current Maturity of Defined Benefits Liability	(1.43)	(1.12)	(1.39)	(0.83)
Total	**8.57**	**7.48**	**5.45**	**3.68**

19 Deferred Tax Asset / (Liability)

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Deferred Tax Asset / (Liability)	(49.13)	(51.60)	(15.03)	4.92
MAT Credit	0.39			
Total	**(48.74)**	**(51.60)**	**(15.03)**	**4.92**

20 Other Non - Current Liabilities

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Trade/Security Deposits received	-	-	-	-
Total	**-**	**-**	**-**	**-**

19.1 Component of Deferred Tax Liabilities / Asset

Amount in Millions

Particulars	Opening	Charge/ (Credit to) Statement of Profit & Loss	Charge/ (Credit to) Other Comprehensive Income	Closing
As at 1st April 2021				
Deferred tax liabilities / (asset) in relation to:				
Property, Plant and Equipments, Intangible Assets & Investment Property	(2.74)	(0.52)	-	(3.26)
ROU asset	-	2.39	-	2.39
Fair Value Gain on Investments at FVTPL	0.30	(0.30)	-	-
Provision for Employee Benefits	-	(1.31)	-	(1.31)
Provision for Bonus	(0.03)	(0.29)	-	(0.32)
Lease Liability	-	(2.41)	-	(2.41)
Provision for expected credit loss	-	-	-	-
As at 31st March 2022	**(2.47)**	**(2.45)**	**-**	**(4.92)**
As at 1st April 2022				
Deferred tax liabilities / (asset) in relation to:				
Property, Plant and Equipments, Intangible Assets & Investment Property	(3.26)	20.82	-	17.56
ROU asset	2.39	(0.10)	-	2.29
Fair Value Gain on Investments at FVTPL	-	-	-	-
Provision for Employee Benefits	(1.31)	(0.27)	0.41	(1.99)
Provision for Bonus	(0.32)	(0.09)	-	(0.42)
Lease Liability	(2.41)	(0.01)	-	(2.42)
Provision for expected credit loss	-	-	-	-
As at 31st March 2023	**(4.92)**	**20.35**	**0.41**	**15.03**
As at 1st April 2023				
Deferred tax liabilities / (asset) in relation to:				
Property, Plant and Equipments, Intangible Assets & Investment Property	17.56	37.25	-	54.81
ROU asset	2.29	(0.10)	-	2.20
Fair Value Gain on Investments at FVTPL	-	-	-	-
Provision for Employee Benefits	(1.99)	(0.48)	0.03	(2.50)
Provision for Bonus	(0.42)	(0.02)	-	(0.44)
Lease Liability	(2.42)	0.06	-	(2.36)
Provision for expected credit loss	-	(1.08)	-	(0.11)

As at 31st March 2024	**15.03**	**35.64**	**0.03**	**51.60**
As at 1st April 2024				
Deferred tax liabilities / (asset) in relation to:				
Property, Plant and Equipments, Intangible Assets & Investment Property	54.81	(1.69)	-	53.12
ROU asset	2.20	(0.05)	-	2.15
Fair Value Gain on Investments at FVTPL	-	-	-	-
Provision for Employee Benefits	(2.50)	(0.26)	0.15	(2.91)
Provision for Bonus	(0.44)	(0.34)	-	(0.78)
Lease Liability	(2.36)	0.02	-	(2.34)
Provision for expected credit loss	(0.11)	-	-	(0.11)
As at 30th September 2024	**51.60**	**(2.32)**	**0.15**	**49.13**

21 Current Borrowings

Amount in Millions

	Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Secured					
(i)	Cash Credit	227.45	156.67	97.31	10.35
(ii)	Credit Card	0.04	1.05	-	-
(iii)	PCFC / EPC with Banks	0.23	29.52	37.71	79.74
(iv)	Bill Discounting with Banks	0.04	0.08	-	18.71
(v)	Current Maturities of Term Loan	46.45	57.99	22.60	10.08
(vi)	Current Maturities of Vehicle Loan	0.81	0.78	0.72	0.49
Unsecured					
(i)	Current maturities of Loans from Directors and Shareholders	32.58	-	-	-
(ii)	Current maturities of Loans from Relatives of Directors	-	-	-	-
Total		**307.60**	**246.09**	**158.33**	**119.37**

(A) The details of repayment terms, rate of interest, and nature of securities provided in respect of working capital loans from banks are as below:

Amount in Millions

Nature of Security	Repayment Terms and Rate of Interest	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Cash Credit includes credit facility obtained by Company from HDFC Bank The above credit facility is secured by way of following: (i) Primary Security - Debtors , Export Debtors, P&M, PG, Stock and Stock for Export (ii) Collateral Security - Equitable mortgage charge on Block No. 1088A, 1088B, 1088/p, Savli, Lamdapura, Manjusar, Savli, Guiarat, 390021 (iii) Collateral Security - Equitable mortgage Survey No. 65, Kotambi, Waghodia, Vadodarai, Guiarat, 390021 (iv) Collateral Security - Equitable mortgage charge on Block No.175, Paldi, Manjusar, Savli, Guiarat, 390021 (V) Collateral Security - Equitable mortgage charge on Ff-1, Ff-2, Ff-57, Jetalpur Trident Complex, Jetalpur, Vadodara, Gujarat 390021	INR 80 Million working capital facility obtained. Rate of Interest - 9.38% p.a Penal Interest - 2% p.a	33.14	61.71	84.01	9.66

Cash Credit includes credit facility obtained by Company from Citi Bank The above credit facility is secured by way of following: (i) First parri passu charge on Current Assets (Stock and Book Debts) of the Borrower (ii) All the piece and parcel of property situated within registration district-Vadodara in the sim of village jetalpur, bearing r.s. No. 59 & 61/1, part admeasuring 8385 sq. mtrs. city Survey no 340 to 349 on which "trident commerical complex" is constrcuted, first floor, shop no. ff-01 adm. 38.51 Square meters (carpet area) in the name of Mr. Bipin Kantilal Patel (iii) All the piece and parcel of property situated within registration district-Vadodara in the sim of village jetalpur, bearing r.s. No. 59 & 61/1, part admeasuring 8385 sq. mtrs. city Survey no 340 to 349 on which "trident commerical complex" is constrcuted, first floor, shop no. ff-02 adm. 38.51 Square meters (carpet area) in the name of Mrs. Manisha Bipin Patel (iv) All the piece and parcel of property situated within registration district-Vadodara in the sim of village jetalpur, bearing r.s. No. 59 & 61/1, part admeasuring 8385 sq. mtrs. city Survey no 340 to 349 on which "trident commerical complex" is constrcuted, first floor, shop no. ff-57 adm. 41.66 Square meters (carpet area) in the name of Mrs. Manguben Kantilal Patel (V) All the piece and parcel of property situated within registration district-Vadodara sub dist. Waghodia NA land bearing S.No. 625 area adm. 14366 sq. mtr. i.e. 154578.16 sq. ft. construction are adm. 1036.71 sq mtr. i.e. 11155 sq. ft. Kotambi, Ta-Waghodia Dist. Vadodara in the name of Company (Vi) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing old S. No. 18/2, Block/S.No. 175, area adm 20943 sq. mtr. Mouje -Paldi, Ta. Savli Dist. Baroda Sub Dist. Savli in the name of Company (vii) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B Paiki area adm. 9386.61 paiki southern side portion area adm. 3812.67 sq. mtr. mouje. Manjusar in the name of Company	INR 200 Million working capital facility obtained. Rate of Interest - Agreed Bank Rate	141.04	-	-	-

(viii) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B Paiki area adm. 13940 paiki sq. mtr. & 758 sq. mtr. Total area adm. 14698 sq. mtr. mouje. Manjusar in the name of Company (ix) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/A, old S.No 1483 & 1475 area adm. 0-57-66 sq. mtr. mouje. Manjusar in the name of Company (x) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B, old S.No 1472, 1473, 1474, 1476, 1477, 1478, 1480, 1481, 1482 & 1484 total area adm. 70414 sq. mtr. paikee 1298 sq. mtr mouje. Manjusar in the name of Company (xi) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B paiki area adm. 7419 sq. mtr. Paiki area adm. 7419 sqr mtr paiki eastern side portion area adm. 952 sq. mtr, mouje manjusar in the name of Company (xii) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B paiki area adm. 9386.61 sq. mtr. Paiki area adm. 5574.14 sqr mtr mouje manjusar in the name of Company (xiii) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B paiki area adm. 3750 sq. mtr. mouje manjusar in the name of Company (xiv) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B paiki area adm. 3750 sq. mtr. mouje manjusar in the name of Company (xv) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B paiki area adm. 3635.38 sq. mtr. mouje manjusar in the name of Company (xvi) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B paiki area adm. 7419 sq. mtr. Paiki area land adm. 1125 sqr mtr mouje manjusar in the name of Company	Penal Interest - 2% p.a				

Cash Credit includes credit facility obtained by Company from State Bank of India The above credit facility is secured by way of following: (i) First Pari Passu Hypothecation charge on stocks, book debts and all other current assets of the Company (ii) All the piece and parcel of property situated within registration district-Vadodara in the sim of village jetalpur, bearing r.s. No. 59 & 61/1, part admeasuring 8385 sq. mtrs. city Survey no 340 to 349 on which "trident commerical complex" is constrcuted, first floor, shop no. ff-01 adm. 38.51 Square meters (carpet area) in the name of Mr. Bipin Kantilal Patel (iii) All the piece and parcel of property situated within registration district-Vadodara in the sim of village jetalpur, bearing r.s. No. 59 & 61/1, part admeasuring 8385 sq. mtrs. city Survey no 340 to 349 on which "trident commerical complex" is constrcuted, first floor, shop no. ff-02 adm. 38.51 Square meters (carpet area) in the name of Mrs. Manisha Bipin Patel (iv) All the piece and parcel of property situated within registration district-Vadodara in the sim of village jetalpur, bearing r.s. No. 59 & 61/1, part admeasuring 8385 sq. mtrs. city Survey no 340 to 349 on which "trident commerical complex" is constrcuted, first floor, shop no. ff-57 adm. 41.66 Square meters (carpet area) in the name of Mrs. Manguben Kantilal Patel (v) All the piece and parcel of property situated within registration district-Vadodara sub dist. Waghodia NA land bearing S.No. 625 area adm. 14366 sq. mtr. i.e. 154578.16 sq. ft. construction are adm. 1036.71 sq mtr. i.e. 11155 sq. ft. Kotambi, Ta-Waghodia Dist. Vadodara in the name of Company (vi) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing old S. No. 18/2, Block/S.No. 175, area adm 20943 sq. mtr. Mouje -Paldi, Ta. Savli Dist. Baroda Sub Dist. Savli in the name of Company (vii) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B Paiki area adm. 9386.61 paiki southern side portion area adm. 3812.67 sq. mtr. mouje. Manjusar in the name of Company (viii) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B Paiki area adm. 13940 paiki sq. mtr. & 758 sq. mtr. Total area adm. 14698 sq. mtr. mouje. Manjusar in the name of Company	INR 125 Million working capital facility obtained. Rate of Interest - Agreed Bank Rate Penal Interest - 2% p.a	53.27	94.95	13.30	0.69

(ix) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/A, old S.No 1483 & 1475 area adm. 0-57-66 sq. mtr. mouje. Manjusar in the name of Company (x) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B, old S.No 1472, 1473, 1474, 1476, 1477, 1478, 1480, 1481, 1482 & 1484 total area adm. 70414 sq. mtr. paikee 1298 sq. mtr mouje. Manjusar in the name of Company (xi) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B paiki area adm. 7419 sq. mtr. Paiki area adm. 7419 sqr mtr paiki eastern side portion area adm. 952 sq. mtr, mouje manjusar in the name of Company (xii) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B paiki area adm. 9386.61 sq. mtr. Paiki area adm. 5574.14 sqr mtr mouje manjusar in the name of Company (xiii) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B paiki area adm. 3750 sq. mtr. mouje manjusar in the name of Company (xiv) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B paiki area adm. 3750 sq. mtr. mouje manjusar in the name of Company (xv) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B paiki area adm. 3635.38 sq. mtr. mouje manjusar in the name of Company (xvi) All the piece and parcel of property situated within registration district-Vadodara sub district Savli NA land bearing Block/RS No. 1088/B paiki area adm. 7419 sq. mtr. Paiki area land adm. 1125 sqr mtr mouje manjusar in the name of Company					

(B) The details of rate of interest and nature of securities provided in respect of Credit Card from banks are as below:

Amount in Millions

Nature of Security	Repayment Terms and Rate of Interest	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
HDFC Credit Card	Repayable on demand	0.04	1.05	-	-

(C) The details of rate of interest and nature of securities provided in respect of PCFC from banks are as below:

Amount in Millions

Nature of Security	Repayment Terms and Rate of Interest	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
PCFC facility obtained by Company from HDFC Bank The above facility is secured by way of following: Same as of Cash Credit facility	INR 80 million (Sub limit of working capital of INR 80 Million) Pre Shipment Credit facility obtained. Rate of Interest - 9.38% p,a Penal Interest - 2% p.a	0.07	10.40	-	18.78
PCFC facility obtained by Company from State Bank of India The above facility is secured by way of following: Same as of Cash Credit facility	INR 125 million (Sub limit of working capital of INR 125 Million) Pre Shipment Credit facility obtained. Rate of Interest - As per applicable Bank Rate Penal Interest - 2% p.a	0.16	19.12	37.71	60.97

(D) The details of rate of interest and nature of securities provided in respect of bill discounting from banks are as below:

Amount in Millions

Nature of Security	Repayment Terms and Rate of Interest	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Bill discounting facility obtained by Company from State Bank of India The above facility is secured by way of following: Same as of Cash Credit facility	INR 125 million (Sub limit of working capital of INR 125 Million) facility obtained. Rate of Interest - As per applicable Bank Rate Penal Interest - 2% p.a	0.04	0.08	-	18.71

22 Current Lease Liability

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Lease liabilty	0.12	0.12	0.11	0.10
Total	**0.12**	**0.12**	**0.11**	**0.10**

23 Trade Payables

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
(A) Total Outstanding dues of micro enterprises and small enterprises				
For Goods	28.48	30.60	106.58	125.79
For Services / Other expenses	-	-	-	-
(B) Total Outstanding dues of creditors other than micro enterprises and small enterprises				
(i) Payable for Goods				
Due to Related Parties	-	-	-	-
Due to Others	319.40	228.45	110.51	107.99
(ii) Payable for Expenses				
Due to Related Parties	-	-	-	-
Due to Others	-	-	-	-
Total	**347.88**	**259.05**	**217.09**	**233.78**

23.1 Trade Payables Ageing Schedule

As at 30th September 2024

Amount in Millions

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1- 2 Years	2-3 years	More than 3 years	
(i) MSME	-	28.42	0.06	-	-	28.48
(ii) Others	-	312.00	7.40	-	-	319.40
(iii) Disputed dues MSME	-	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	-	-	-

As at 31st March 2024

Amount in Millions

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1- 2 Years	2-3 years	More than 3 years	
(i) MSME	-	30.53	0.06	-	-	30.60
(ii) Others	-	225.40	3.05	-	-	228.45
(iii) Disputed dues MSME	-	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	-	-	-

As at 31st March 2023

Amount in Millions

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1- 2 Years	2-3 years	More than 3 years	
(i) MSME	-	80.93	25.65	-	-	106.58
(ii) Others	-	110.51	-	-	-	110.51
(iii) Disputed dues MSME	-	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	-	-	-

As at 31st March 2022

Amount in Millions

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1- 2 Years	2-3 years	More than 3 years	
(i) MSME	-	100.23	25.57	-	-	125.79
(ii) Others	-	107.99	-	-	-	107.99
(iii) Disputed dues MSME	-	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	-	-	-

23.2 Disclosure as required under Micro, Small and Medium Enterprises Development Act, 2006

Amount in Millions

Particulars		**As at 30th September 2024**	**As at 31st March 2024**	**As at 31st March 2023**	**As at 31st March 2022**
(i)	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at period/year end	28.48	30.60	106.58	125.79
(ii)	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at period/year end on above amount	0.07	-	-	-
(iii)	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the period/year	-	-	-	-
(iv)	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period/year	-	-	-	-
(v)	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period/year	-	-	-	-
(vi)	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-	-	-
(vii)	Further interest remaining due and payable for earlier years	-	-	-	-

*The above has been determined to the extent such parties could be identified on the basis of information available with the Group regarding the status of suppliers under MSME.

24 Current Financial Liabilities

Amount in Millions

Particulars	**As at 30th September 2024**	**As at 31st March 2024**	**As at 31st March 2023**	**As at 31st March 2022**
Security Deposit	2.39	1.84	1.52	1.29
Total	**2.39**	**1.84**	**1.52**	**1.29**

25 Short Term Provisions

Amount in Millions

Particulars	**As at 30th September 2024**	**As at 31st March 2024**	**As at 31st March 2023**	**As at 31st March 2022**
Provision for employee benefits				
Gratuity & Leave Encashment (Refer Note 39)	1.43	1.12	1.39	0.83
Provision others				
Provision for Statutory Audit Fees	0.12	0.24	0.19	0.18
Provisions for Expenses	1.76	0.77	1.98	2.20
Provisions for Bonus	2.68	1.61	1.51	1.10
Provisions for CSR	1.72	3.54	1.77	1.31
Total	**7.70**	**7.27**	**6.84**	**5.61**

26 Liability for Current Tax

Amount in Millions

Particulars	**As at 30th September 2024**	**As at 31st March 2024**	**As at 31st March 2023**	**As at 31st March 2022**
Provision for Income Tax	54.00	52.30	65.00	65.50
Total	**54.00**	**52.30**	**65.00**	**65.50**

27 Other Current Liabilities

Amount in Millions

Particulars	**As at 30th September 2024**	**As at 31st March 2024**	**As at 31st March 2023**	**As at 31st March 2022**
Statutory Payable				
TDS Payable	1.78	2.31	1.23	2.44
TCS Payable	-	-	-	-
GST Payable	0.02	0.03	0.04	3.95
ESI Payable	0.04	0.02	0.02	0.01
Providend Fund Payable	0.55	0.38	0.32	0.23
Professional Tax Payable	0.06	0.04	0.06	0.03
Other Liabilties				
Advance from Trade Receivables	-	1.23	1.99	29.12
Salary & Wages Payable	6.91	6.27	6.83	4.70
Sales Commission Payable	-	-	0.47	0.47
Total	**9.35**	**10.29**	**10.94**	**40.96**

Allchem Lifescience Limited (Formerly known as Allchem Lifescience Private Limited)
CIN - U24299GJ2017PLC095094
Annexure VI - Notes to Restated Financial Information
All amounts are in INR Millions unless otherwise stated

28 Revenue from Operations

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Sale of Products	781.51	1,366.16	1,049.95	1,070.88
Sale of Services	-	-	-	-
Other Operating Income:				
Duty Drawback	1.20	5.81	5.09	8.21
Export Incentives (MEIS)	1.77	2.24	2.16	1.92
	-	-	-	-
Total	**784.48**	**1,374.21**	**1,057.19**	**1,081.01**

28.1 Disaggregated Revenue Information

(a) Type of Goods/ Services

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Chemical Products	781.51	1,366.16	1,049.95	1,070.88
Service Income	-	-	-	-
Total	**781.51**	**1,366.16**	**1,049.95**	**1,070.88**

(b) Geographical Information

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Sale of Products and Services Comprises of:				
Within India	617.34	820.81	627.15	550.44
Outside India	-	-	-	-
(i) Export Sales	158.62	518.56	395.57	501.94
(ii) Deemed Export Sales	5.55	26.79	27.22	18.51
Total	**781.51**	**1,366.16**	**1,049.95**	**1,070.88**

(c) Timing of Revenue Recognition

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Goods transferred at a point in time	781.51	1,366.16	1,049.95	1,070.88
Services transferred over time	-	-	-	-
Total	**781.51**	**1,366.16**	**1,049.95**	**1,070.88**

29 Other Income

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Interest on Fixed Deposits	0.29	0.36	0.12	0.31
Gain on foreign currency transaction and translation (Net)	0.51	2.56	2.95	8.98
Dividend Income	-	-	-	-
Profit on Sale of Assets(net)	-	0.04	-	-
Electrical Subsidy	-	-	-	2.14
Insurance Claim Received	-	3.50	-	-
Excess Provision of Income Tax Expense W/back	0.01	-	-	0.19
Gain on Sale of Mutual Funds	-	-	-	1.16
Other Interest	0.00	-	-	-
Transportation charges	0.02	-	-	-
VAT Refund	-	-	-	0.38
Total	**0.83**	**6.45**	**3.07**	**13.16**

30 Cost of Materials Consumed

Amount in Millions

Particulars	**Six months period ended 30th September 2024**	**Year ended 31st March 2024**	**Year ended 31st March 2023**	**Year ended 31st March 2022**
Opening Stock	65.27	67.03	83.61	78.37
Purchases	514.91	740.95	617.22	689.36
Total	580.18	807.98	700.83	767.73
Less : Closing Stock	(122.44)	(65.27)	(67.03)	(83.61)
Total	**457.74**	**742.71**	**633.80**	**684.12**

31 Purchases of Stock-in-Trade

Amount in Millions

Particulars	**Six months period ended 30th September 2024**	**Year ended 31st March 2024**	**Year ended 31st March 2023**	**Year ended 31st March 2022**
Purchase of traded goods	-	-	-	-
Total	**-**	**-**	**-**	**-**

32 Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

Amount in Millions

Particulars	**Six months period ended 30th September 2024**	**Year ended 31st March 2024**	**Year ended 31st March 2023**	**Year ended 31st March 2022**
Closing inventories				
Finished goods	52.47	58.71	58.86	26.31
Work in Process	272.37	138.41	59.79	33.75
Stock-in-trade	-	-	-	-
	324.83	197.12	118.65	60.06
Opening inventories				
Finished goods	58.71	58.86	26.31	3.08
Work in Process	138.41	59.79	33.75	8.58
Stock-in-trade	-	-	-	-
	197.12	118.65	60.06	11.66
Total	**(127.71)**	**(78.47)**	**(58.59)**	**(48.40)**

33 Employee Benefits Expense

Amount in Millions

Particulars	**Six months period ended 30th September 2024**	**Year ended 31st March 2024**	**Year ended 31st March 2023**	**Year ended 31st March 2022**
Salaries and wages, Bonus and other allowances	62.27	103.15	89.73	68.12
Contribution to provident funds, Family Pension and ESIC	3.63	5.80	4.71	3.47
Gratuity & Leave Encashment Expense (Refer Note 39)	1.09	1.73	1.33	4.81
Workmen and Staff welfare expenses	1.36	2.65	1.71	2.09
Medical Reimbursement expense	0.04	0.06	0.05	0.48
Total	**68.39**	**113.38**	**97.52**	**78.97**

34 Finance Costs

Amount in Millions

Particulars	**Six months period ended 30th September 2024**	**Year ended 31st March 2024**	**Year ended 31st March 2023**	**Year ended 31st March 2022**
Interest and other borrowing cost on Borrowings from banks	40.50	50.77	8.31	11.18
Bank Charges	1.51	1.22	0.97	0.90
Interest expense - others	5.88	11.08	7.07	13.79
Interest on lease liability	0.36	0.73	0.74	0.25
Processing charges Loan	-	-	1.50	8.33
Total	**48.25**	**63.80**	**18.60**	**34.45**

35 Depreciation and Amortization Expense

Amount in Millions

Particulars	**Six months period ended 30th September 2024**	**Year ended 31st March 2024**	**Year ended 31st March 2023**	**Year ended 31st March 2022**
Depreciation on Property, Plant and Equipment	113.64	141.77	22.86	23.33
Amortization on Intangible assets	0.14	0.45	0.46	-
Amortization on Right of Use Assets	0.16	0.33	0.33	0.11
Total	**113.94**	**142.55**	**23.65**	**23.44**

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Annexure VI - Notes to Restated Financial Information
All amounts are in INR Millions unless otherwise stated

36 Other Expenses

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Manufacturing Expenses:				
Consumable, Stores & Factory Expenses	1.80	0.23	20.15	14.28
Electric Power Cost	23.00	27.03	18.38	17.65
Environment, Health & Safety Expenses (EHS)	1.46	3.98	4.47	5.29
Factory Rent & Gas Skid Rent	0.18	0.33	0.42	0.33
Freight, Octroi & Carting Expenses	1.68	2.57	2.68	3.01
Import Clearing & Forwarding Charges	0.83	1.23	2.91	1.00
Labour Charges	1.16	3.51	0.96	9.97
Loading, Unloading & Weightment Expenses	0.23	0.61	0.45	0.54
Packing Materials	3.07	3.92	3.97	4.02
Repair & Maintenance Expense	2.65	3.77	1.85	1.31
Research & Development Expenses	-	-	0.27	0.19
Personal Protective Equipment Expenses	0.15	-	-	-
Testing & Analysis Expenses	0.12	0.33	0.31	0.16
Administration Expenses:				
Annual Maintenance Contract (Equipment)	0.35	1.31	0.42	0.42
Computer Expenses	0.31	1.20	1.21	0.54
CSR Activity Expenses	2.67	4.41	2.69	1.46
Electrical Expenses (Office Building)	0.08	0.14	0.09	0.09
Office consumables	0.71	-	-	-
Gardening Treatment Exp	-	-	0.02	-
Insurance Expense	4.16	3.44	3.21	1.78
Legal Expense	0.17	1.99	0.49	5.12
Membership & Subscrption fees	0.16	0.45	-	0.06
Mobile & Telephone Expense	0.06	0.03	0.20	0.16
Office Expense	0.68	0.40	0.39	0.26
Office Rent	-	-	-	0.35
Postage & Courier Charges	0.10	0.20	0.18	0.18
Printing & Stationery Expenses	0.12	0.21	1.02	0.72
Professional Tax - Company	-	0.00	-	0.02
Professional & Consultancy Charges	3.01	2.62	1.30	1.91
Repairs & Maintenance Expenses (Indirect)	0.11	0.42	0.02	0.05
Statutory Audit Fees	0.12	0.24	0.19	0.18
Sundry Balance W/off	(0.07)	0.01	(0.13)	0.16
Interest / Penalty on Statutory Payments	0.01	0.05	0.02	1.08
Vehicle Running & Maint. Expenses	0.80	1.17	1.28	1.29
Hotel Expense (Other than Employee)	0.02	-	-	-
MSME Interest	0.07	-	-	-
Loss on sale of fixed asset	-	0.00	-	-
Selling & Distribution Expenses				
Advertisement Expenses	0.06	0.13	0.12	0.15
Discount on Sales	0.14	0.16	(3.25)	27.29
Freight Outward Charges	9.30	4.48	11.84	15.95
Sales Commision Expense	1.27	-	0.69	-
Sales Promotion, Conference & Exhibition	2.08	2.47	0.82	0.14
Travelling Expenses	1.67	0.27	0.43	0.08
Expected Credit Loss	-	0.37	-	-
Total	**64.48**	**73.69**	**80.04**	**117.14**

36.1 Payment to Auditor comprises of

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Auditors' remuneration and expenses:				
For Audit Fees	0.12	0.24	0.19	0.18
For Other Services				
Total	**0.12**	**0.24**	**0.19**	**0.18**

* Other services expenses is included in Professional & Consultancy Charges

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All amounts are in INR Millions unless otherwise stated

37 Income Tax Expense

Tax expense recognized in the Statement of Profit and Loss

(i) Current Tax

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Current Tax on Taxable Income for the period/ year	54.00	52.30	65.00	65.50
Total Current Tax Expense	**54.00**	**52.30**	**65.00**	**65.50**

(ii) Deferred Tax

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Deferred Tax Charge/(Credit)	(2.32)	36.61	20.35	(2.45)
MAT Credit (Taken)/Utilised	-	-	-	-
Total Deferred Income Tax Expense/(Benefit)	**(2.32)**	**36.61**	**20.35**	**(2.45)**

(iii) MAT Credit Entitlement

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
MAT Credit Entitlement	(0.39)	-	-	-
Total MAT Credit Entitlement	**(0.39)**	**-**	**-**	**-**

(iv) Taxes in Respect of Earlier Years

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Taxes in respect of earlier years	-	-	-	-
Total taxes in respect of earlier years	**-**	**-**	**-**	**-**

Tax expense recognized in Other Comprehensive Income

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Deferred Tax expense on remeasurement of defined benefit plans through OCI	0.15	0.03	0.41	-
Income Tax Expense charged to OCI	**0.15**	**0.03**	**0.41**	**-**

37.1 A reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Restated Profit before tax	**160.21**	**323.00**	**265.24**	**204.45**
Income Tax Expenses Calculated at 29.12%	46.65	94.06	77.24	59.54
Effect of Income that is deductible from Tax	(31.50)	(79.10)	(27.92)	(6.64)
Effect of expenses that are not deductible in determining taxable profit	34.72	43.85	9.01	8.90
Effect of Income taxed at Lower Rate of Tax - Short Term Capital Gain	-	-	-	0.08
Effect of Income taxed at Lower Rate of Tax - Long Term Capital Gain	-	-	-	0.06
Difference in Current tax amount computed and Provision Created	0.00	0.01	(0.04)	0.46
Effect of IND AS Adjustments	3.80	(6.91)	6.71	3.08
Adjustments recognised in current year in relation to the current tax of prior years	-	-	-	-
Others	-	0.39	-	0.02
Income tax expense recognised in profit or loss	**53.68**	**52.30**	**65.00**	**65.50**
Incremental DTA / DTL on account of PPE and Intangible Asset	(1.69)	37.25	20.82	(0.52)
Incremental DTA / DTL on account of Right of Use Asset	(0.05)	(0.10)	(0.10)	2.39
Incremental DTA / DTL on account of Fair Value Gain on Investments at FVTPL	-	-	-	(0.30)
Incremental DTA / DTL on account of Provision for Employee Benefits &	(0.60)	(0.50)	(0.36)	(1.60)
Incremental DTA / DTL on account of Lease Liability	0.02	0.06	(0.01)	(2.41)
Incremental DTA / DTL on account of Expected Credit Loss	-	(0.11)	-	-
Deferred Tax Expense recognised in Profit or Loss	**(2.32)**	**36.61**	**20.35**	**(2.45)**

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All amounts are in INR Millions unless otherwise stated

38 Earnings Per Share

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
(a) Basic earnings per share (₹)				
From continuing operations (₹)	1.42	3.06	2.36	2.24
From discontinued operations (₹)	-	-	-	-
Total Basic earnings per share attributable to the owners of the Company (₹)	1.42	3.06	2.36	2.24
(b) Diluted earnings per share (₹)				
From continuing operations (₹)	1.42	3.06	2.36	2.24
From discontinued operations (₹)	-	-	-	-
Total Diluted earnings per share attributable to the owners of the Company (₹)	1.42	3.06	2.36	2.24
Footnotes:				
The earnings and weighted average numbers of equity shares used in the calculation of basic and diluted earnings per share are as follows:				
(a) Earnings used in the calculation of basic and diluted earnings per share:				
Profit for the year from continuing operations	108.91	234.09	179.89	141.39
Profit for the year from discontinued operations				
(b) Weighted average number of equity shares used in the calculation of basic and diluted earnings per share:				
No of shares at the beginning of the year	42,52,235.00	42,52,235.00	35,00,000.00	35,00,000.00
Add: Issued / to be issued during the year	-	-	7,52,235.00	-
Number of shares at the end of the period / year	42,52,235.00	42,52,235.00	42,52,235.00	35,00,000.00
Impact of bonus issue effected after September 30, 2024 (allotment of 7,22,87,995 bonus shares at face value of ₹ 10 each)	7,65,40,230.00	7,65,40,230.00	7,65,40,230.00	6,30,00,000.00
Number of shares considered as weighted average shares in the calculation of basic earnings per share	7,65,40,230.00	7,65,40,230.00	7,61,69,268.00	6,30,00,000.00
Ajustments for calculation of Diluted earnings per Share	-	-	-	-
Number of shares considered as weighted average shares in the calculation of Diluted earnings per share	7,65,40,230.00	7,65,40,230.00	7,61,69,268.00	6,30,00,000.00
(c) Face value of equity share (₹/share)	10.00	10.00	10.00	10.00

Note:
The basic and diluted earning per share for the current period and previous periods presented have been calculated /restated after considering the bonus issue in accordance with the provisions of Ind AS 33.

39 Details of Employee Benefits

(A) Defined Contribution Plan

The Company has defined contribution plan in form of Provident Fund and Employee State Insurance Scheme for qualifying employees. Under the Schemes, the Company is required to contribute a specified rates to fund the schemes

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Provident Fund	2.90	4.78	3.86	2.90
Employee State Insurance Scheme	0.65	1.02	0.85	0.58
Total	**3.54**	**5.80**	**4.71**	**3.47**

(B) Defined Benefit Plans

For defined benefits in the form of Gratuity, Leave Salary, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial Gains and Losses are recognized in the Statement of Profit and Loss in the period which they occur.

The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

(1) Post Employment Benefit

Employee's Contribution	0%
Employer's Contribution	100%
Salary definition	Last Drawn Basic Salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of ₹ 20,00,000 was applied
Vesting conditions	5 years of continuous service (Not applicable in case of death/disability)
Benefit on Retirement	15/ 26 × Salary × Duration of Service
Benefit on Resignation/Withdrawals	Same as Retirement Benefit based on service up to exit
Benefit on Death	Same as Retirement Benefit but no vesting Condition applies
Retirement age*	58 years

The benefits are governed by the Payment of Gratuity Act,1972 or company scheme rules, whichever is higher.

(2) Other Long term Employee Benefit

Employee's Contribution	0%
Employer's Contribution	100%
Salary Definition for Encashment	Last drawn Basic Salary
Salary Definition for Availment	Last drawn CTC Salary
Vesting Condition	Not Applicable
Leave Credited Annually	15 days
Leave Denominator	26 days
Maximum Accumulation	45 days
Encashment during the Service	Not allowed
Benefit on Retirement	Leave Days x Encashment Salary / Leave Denominator
Benefit on Resignation/Withdrawals	Same as Retirement Benefit
Benefit on death	Same as Retirement Benefit
Benefit on Availment	Leave Days x Availment Salary / Leave Denominator
Retirement Age*	58 years

*Incase of employees with age above the retirement age mentioned in Plan features,the retirement is assumed to happen immediately and valuation is done

Other Long term leave benefits are governed by the entity's leave policy.

Aforesaid post-employment benefit plans typically expose the Company to risks such as: actuarial risk, investment risk, liquidity risk, market risk and legislative risk.

(i) Acturial Risk
It is the risk that benefits will cost more than expected.This can arise due to one of the following reasons:
Adverse Salary Growth Experience
Variability in mortality rates
Variability in withdrawal rates

(ii) Investment Risk
For funded plans that rely on insurers for managing the assets the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases,the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

(iii) Liquidity Risk
Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits.If some of such employees resign/retire from the Company there can be strain on the cashflows.

(iv) Market Risk
Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets.One actuarial assumption that has a material effect is the discount rate.

(v) Legislative Rsik
Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act or Shop and Establishment Act thus requiring the companies to pay higher benefits to the employees.

There are no changes in the benefit scheme since the last valuation. There are no special events such as benefit improvements or curtailments or settlements during the inter-valuation period.

The following tables summarise the components of defined benefit expense recognised in the Statement of Profit and Loss/Other Comprehensive Income and the funded status and amounts recognised in the Consolidated Balance Sheet for the respective plans:

Reconciliations

(a) Gratuity

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Change in Defined Benefit Obligation				
Defined Benefit Obligation at the beginning	**7.09**	**5.57**	**3.54**	-
Current Service Cost	0.53	0.94	0.72	3.67
Interest Expense	0.24	0.37	0.21	-
Remeasurements - Actuarial (gains) / losses	0.22	0.26	1.15	-
Benefits paid by the Company	(0.11)	(0.05)	(0.05)	(0.13)
Defined Benefit Obligation at the end	**7.96**	**7.09**	**5.57**	**3.54**

(b) Leave Encashment

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Change in Defined Benefit Obligation				
Defined Benefit Obligation at the beginning	**1.51**	**1.26**	**0.97**	-
Current Service Cost	0.24	0.34	0.24	1.14
Interest Expense	0.05	0.08	0.06	-
Remeasurements - Actuarial (gains) / losses	0.31	(0.14)	0.26	-
Benefits paid by the Company	(0.06)	(0.04)	(0.26)	(0.18)
Defined Benefit Obligation at the end	**2.04**	**1.51**	**1.26**	**0.97**

Components of Defined Benefit Cost recognized in the Statement of Profit and Loss under Employee Benefit Expenses:

(a) Gratuity

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Current Service Cost	0.53	0.94	0.72	3.67
Net Interest Cost	0.24	0.37	0.21	-
Defined Benefit Cost recognised in the Statement of Profit and Loss	**0.76**	**1.31**	**0.93**	**3.67**

(b) Leave Encashment

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Current Service Cost	0.24	0.34	0.24	1.14
Net Interest Cost	0.05	0.08	0.06	-
Defined Benefit Cost recognised in the Statement of Profit and Loss	**0.29**	**0.42**	**0.29**	**1.14**

Components of Defined Benefit Cost recognized in the Statement of Other Comprehensive Income:

(a) Gratuity

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Actuarial (gains) / losses on Defined Benefit Obligation				
Due to Change in financial assumptions	0.20	0.07	(0.24)	-
Due to Change in demographic assumptions	-	0.26	-	-
Due to experience adjustments	0.02	(0.08)	1.39	-
Defined Benefit Cost recognised in the Statement of Other Comprehensive	**0.22**	**0.26**	**1.15**	**-**

(b) Leave Encashment

Amount in Millions

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Actuarial (gains) / losses on Defined Benefit Obligation				
Due to Change in financial assumptions	0.05	0.01	(0.05)	-
Due to Change in Demographic assumptions	-	(0.01)	-	-
Due to experience adjustments	0.26	(0.15)	0.31	-
Defined Benefit Cost recognised in the Statement of Other Comprehensive	**0.31**	**(0.14)**	**0.26**	**-**

The assumptions used to determine net periodic benefit cost are set out below:

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Discount Rate	6.80% p.a	7.20% p.a	7.35% p.a	6.55% p.a
Salary Escalation	7.00% p.a.	7.00% p.a.	7.00% p.a.	7.00% p.a.
Withdrawal Rates	Age 25 & below: 30% p.a	Age 25 & below: 30% p.a	Age 25 & below: 24% p.a	Age 25 & below: 24% p.a
	25 to 35 : 25% p.a	25 to 35 : 25% p.a	25 to 35 : 50% p.a	25 to 35 : 50% p.a
	35 to 45 : 15% p.a	35 to 45 : 15% p.a	35 to 45 : 16% p.a	35 to 45 : 16% p.a
	45 to 55 : 5% p.a	45 to 55 : 5% p.a	45 to 55 : 9% p.a	45 to 55 : 9% p.a
	55 & above : 1% p.a	55 & above : 1% p.a	55 & above : 1% p.a	55 & above : 1% p.a

Amount, timing and uncertainty of future cash flows

Sensitivity Analysis

(a) Gratuity

Particulars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Discount Rate Sensitivity				
Increase by 0.5%	7.71	6.84	5.43	3.44
(% change)				
Decrease by 0.5%	8.22	7.35	5.72	3.64
(% change)				
Salary growth rate Sensitivity				
Increase by 0.5%	8.22	7.35	5.72	3.63
(% change)				
Decrease by 0.5%	7.71	6.84	5.43	3.44
(% change)				
Withdrawal rate (W.R.) Sensitivity				
W.R. x 110%	7.91	7.05	5.53	3.47
(% change)				
W.R. x 90%	8.02	7.13	5.62	3.61
(% change)				

(b) **Leave Encashment**

Particulars	**Six months period ended 30th September 2024**	**Year ended 31st March 2024**	**Year ended 31st March 2023**	**Year ended 31st March 2022**
Discount Rate Sensitivity				
Increase by 0.5%	1.99	1.46	1.24	0.94
(% change)				
Decrease by 0.5%	2.11	1.55	1.29	0.99
(% change)				
Salary growth rate Sensitivity				
Increase by 0.5%	2.10	1.55	1.29	0.99
(% change)				
Decrease by 0.5%	1.99	1.46	1.24	0.94
(% change)				
Withdrawal rate (W.R.) Sensitivity				
W.R. x 110%	2.04	1.51	1.26	0.97
(% change)				
W.R. x 90%	2.05	1.51	1.26	0.97
(% change)				

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

The Effect of the Plan on the Company's Future Cash Flows

(i) The Description on funding arrangements and funding policy
The Company do not have any funding arrangement. They settle the Gratuity and Leave encashment on Pay-N-Go basis.

(ii) The Expected Contributions to the Plan for the next annual reporting period.
The Gratuity Benefits Scheme and Previlege Leave Benefits scheme is manged on unfunded basis so expected Contribution is shown as Nil.

(iii) The Maturity Profile of Defined Benefit Obligation

(a) **Gratuity**

Particulars	**Six months period ended 30th September 2024**	**Year ended 31st March 2024**	**Year ended 31st March 2023**	**Year ended 31st March 2022**
The Weighted Average Duration (Years) as at valuation date	**6.74 Years**	**7.48 Years**	**5.6 Years**	**5.49 Years**
Year 1 Cashflow	1.08	0.86	1.07	0.60
Year 2 Cashflow	0.89	0.81	0.94	0.53
Year 3 Cashflow	0.87	0.85	0.67	0.52
Year 4 Cashflow	1.03	0.67	0.58	0.38
Year 5 Cashflow	0.63	0.65	0.66	0.32
Year 6 to 10 Cashflow	3.49	2.39	2.00	1.16

(b) **Leave Encashment**

Particulars	**Six months period ended 30th September 2024**	**Year ended 31st March 2024**	**Year ended 31st March 2023**	**Year ended 31st March 2022**
The Weighted Average Duration (Years) as at valuation date	**6.37 Years**	**6.53 Years**	**5.1 Years**	**5.38 Years**
Year 1 Cashflow	0.36	0.26	0.32	0.22
Year 2 Cashflow	0.27	0.19	0.24	0.16
Year 3 Cashflow	0.23	0.17	0.14	0.01
Year 4 Cashflow	0.30	0.24	0.11	0.08
Year 5 Cashflow	0.16	0.12	0.18	0.07
Year 6 to 10 Cashflow	0.74	0.59	0.36	0.33

40 Leases

The Company has recognised a lease liability measured at the present value of the remaining lease payments, and right-of-use (ROU) asset at an amount equal to lease liability (adjusted for any related prepayments). The Company has taken lease hold land on lease. Management has exercised judgement in determining whether extension and termination options are reasonably certain to be exercised. The Company has used discounting rate of 6% to arrive at the present value of its future cash flows towards lease liabilities.

(A) Lease Liabilities - Maturity Analysis

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Less than 1 year	0.12	0.12	0.11	0.10
1 - 5 years	0.81	0.78	0.71	0.65
More than 5 years	7.09	7.21	7.49	7.54
Total	**8.02**	**8.10**	**8.31**	**8.29**

(B) Movement of Lease Liabilities

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Opening Balance	**8.10**	**8.31**	**8.29**	**-**
Addition	-	-	-	8.32
Interest on Lease Liability	0.36	0.73	0.74	0.25
Payment towards Lease Liability	(0.44)	(0.94)	(0.72)	(0.28)
Total	**8.02**	**8.10**	**8.31**	**8.29**
	-	-	-	-

(C) Rental Expenses recorded for Long Term Leases are as follows:

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Depreciation Expense of Right-of-Use Assets (Refer Note 35)	0.16	0.33	0.33	0.11
Interest Expense on Lease Liability (Refer Note 34)	0.36	0.73	0.74	0.25
Total	**0.53**	**1.06**	**1.07**	**0.36**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

41 Contingent Liabilities and Commitments

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
(A) Contingent Liabilities				
(i) In respect of Bank Guarantees & LC's issued by Banks on behalf of the Company*	-	-	-	-
(ii) In respect of Income Tax Liability that may arise for which the Company is in Appeal	-	-	-	-
(iii) In respect of Sales Tax/VAT/GST	10.11	10.11	-	-
(iv) In respect of Corporate Guarantees	-	-	-	-
(v) Claims against the Company not acknowledged as debt	-	-	-	-
(v) In respect of Others (HR related Matter)	0.45	0.45	0.45	-
(B) Commitments				
(i) Capital Commitments				
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	166.76	0.50	71.94	266.50
(ii) Other Commitments	-	-	-	-

Note:

(i) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. Future cash outflows in respect of the above are determinable only on receipt of judgments / decisions pending with various forums/

(ii) The amounts represent the best possible estimates arrived at on the basis of available information.

(iii) The Company does not expect any outflow of economic resources in respect of the above and therefore no provision is made in respect thereof.

Details of Disputed Liability that may arise for which the Company is in Appeal:

As at 30th September 2024

Amount in Millions

Name of Statute	Nature of Dues	Amount	Period to which the amount relates	Forum where dispute is pending
1 Goods & Service Tax 2017	GST Interest and Penalty under Section 74(5) of CGST Act 2017	10.11	April 2018 to March 2023	Superintendent(Prev) CGST and CE Vadodara(II)

As at 31st March 2024

Amount in Millions

Name of Statute	Nature of Dues	Amount	Period to which the amount relates	Forum where dispute is pending
1 Goods & Service Tax 2017	GST Interest and Penalty under Section 74(5) of CGST Act 2017	10.11	April 2018 to March 2023	Superintendent(Prev) CGST and CE Vadodara(II)

42 Related Party Disclosures

(A) The list of related parties as identified by the Management is as under:

Nature of Relationship	Name of Related Party
Key Managerial Personnel (KMP)	Mr. Bipin Kantibhai Patel (Managing Director) Mr. Kantilal Ramanlal Patel (Technical Director) Ms. Aditi Bipinbhai Patel (Become Marketing Director wef 13th September 2024)
Relatives of Key Managerial Personnel	Mrs. Manguben Katilalbhai Patel Mrs. Manisha Bipinbhai Patel Mr Nilesh M Patel Mr Mahesh Kalidas Patel Mrs Sushilaben Mahesh Patel Mr Vikrant M Patel Mr Sanket M Patel Mrs Bhumi Patel Mrs Pushpaben Patel Mrs Priti N Patel Mr. Dhruvil Bipinbhai Patel
Enterprise under Control or Enterprise over which Key Managerial Personnel have Significant Influence	Novan Trade Chem Private Limited ALS Pharma (Partnership firm)

(B) Transactions and Balances as at and for the six months period ended 30th September 2024 and years ended 31st March 2024, 31st March 2023 and 31st March 2022

(I) Details of transactions with related parties (in accordance with Ind AS 24 - Related Party Disclosures)

Amount in Millions

Name of Related Party	Nature of Transaction	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
(a) Transactions with Key Managerial Personnel Relatives of Key Managerial person and Directors *:					
(i) Mr. Bipin Patel	Remuneration	7.50	15.00	15.00	12.60
	Rent Expense	0.14	0.24	0.22	0.43
	Commission	-	-	-	21.97
	Loan Taken	3.50	30.00	5.80	5.20
	Loan Repaid	2.33	0.20	4.20	25.66
	Interest Expense	2.07	1.62	0.92	2.45

(ii) Mr. Kantilalbhai Patel	Remuneration	2.40	4.80	4.80	4.80
	Rent Expense	0.30	0.70	0.50	0.20
	Loan Taken	2.50	8.90	1.50	4.80
	Loan Repaid	1.58	-	-	10.26
	Interest Expense	1.49	1.94	1.64	2.08
(iii) Mrs. Manishaben Patel	Interest Expense	0.86	1.28	1.19	1.76
	Loan Taken	-	3.90	-	0.40
	Loan Repaid	0.86	-	-	10.20
(iv) Mrs. Manguben Patel	Interest Expense	0.65	1.21	1.12	1.09
	Loan Taken	-	-	-	0.20
	Loan Repaid	0.60	-	-	2.50
(v) Ms. Aditi Patel	Interest Expense	0.52	0.99	0.95	0.80
	Loan Taken	-	-	-	2.95
	Loan Repaid	0.53	0.28	0.34	-
(vi) Mr. Dhruvil Patel	Interest Expense	0.29	0.54	0.52	0.33
	Loan Taken	-	-	-	5.45
	Loan Repaid	0.52	0.17	0.17	-
(b) Transactions with enterprises under control or enterprises over which Key Managerial Personnel have significant influence:					
(i) Novan Trade Chem Private Limited	Labour Contract Services	-	-	0.96	9.93

*Consideration of benefits payable to Key Managerial Personnel are in respect of Company

(II) Details of balances with related parties (in accordance with Ind AS 24 - Related Party Disclosures)

Amount in Millions

Name of Related Party	Nature of Transaction	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
(a) Balances with Key Managerial Personnel / Relatives of Key Managerial Person:					
(i) Ms. Aditi Patel	Loan Taken	11.60	11.65	11.04	10.52
(ii) Mr. Bipin Patel	Loan Taken	46.00	42.97	11.71	9.28
(iii) Mr. Kantilalbhai Patel	Loan Taken	33.00	30.74	20.09	17.12
(iv) Mrs. Manishaben Patel	Loan Taken	19.00	19.09	14.03	12.96
(v) Mrs. Manguben Patel	Loan Taken	14.30	14.32	13.23	12.22
(vi) Mr. Dhruvil Patel	Loan Taken	6.10	6.36	6.05	5.75
(b) Balances with enterprises under control or enterprises over which Key Managerial Personnel have significant influence:					
(i) Novan Trade Chem Private Limited	Labour Contract Services	2.07	2.09	2.48	2.14

43 Corporate Social Responsibility Expenses

As per provision of Section 135 of the Companies Act, 2013 read with Companies Amendment Act, 2019, the company has to spend at least 2% of the average profits of the preceding three financial years towards CSR. Accordingly, a CSR committee has been formed for carrying out the CSR activities as per Schedule VII of the Companies Act, 2013.

Amount in Millions

Particulars	**Six months period ended 30th September 2024**	**Year ended 31st March 2024**	**Year ended 31st March 2023**	**Year ended 31st March 2022**
Amount required to be spent by the Company during the year/period	5.35	4.41	2.69	1.46
Actual expenditure related to CSR spent during the year/period	2.67	0.86	0.91	0.15
Shortfall in spending related to CSR activities during the year/period	2.68	3.54	1.77	1.31
Total of previous years shortfall.	-	-	-	-

44 Segment Reporting

(A) Description of Segment and Principal Activities

As per Ind AS-108, "Operating Segment" (specified under the section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provision of the Act the Company’s Chief Operating Decision Maker, i.e. Board of Directors (‘CODM’) have identified Manufacturing of API Intermediates, Speciality Chemicals and Custom Synthesis as the reportable segment. Since the Company is having only one reportable segment hence disclosure requirement as per Ind AS 108 is not applicable.

(B) Geographical Information

(i) Sale of Goods and Services Comprises of: **Amount in Millions**

Particulars	**Six months period ended 30th September 2024**	**Year ended 31st March 2024**	**Year ended 31st March 2023**	**Year ended 31st March 2022**
Within India	617.34	820.81	627.15	550.44
Outside India	164.17	545.35	422.79	520.45
Total	**781.51**	**1,366.16**	**1,049.95**	**1,070.88**

(ii) Non - Current Assets: **Amount in Millions**

Particulars	**Six months period ended 30th September 2024**	**Year ended 31st March 2024**	**Year ended 31st March 2023**	**Year ended 31st March 2022**
Within India	1,572.25	1,583.27	1,300.26	588.87
Outside India	-	-	-	-
Total	**1,572.25**	**1,583.27**	**1,300.26**	**588.87**

45 Fair Value Measurements

(A) Accounting classification and fair values

As at 30th September, 2024

Amount in Millions

Particulars	Fair Value through P&L	Fair Value through OCI	Amortised Cost	Total Carrying Value	Total Fair Value
Financial Assets					
Investments (Refer Note 5)	-	-	-	-	-
Other Financial Assets (Non - Current)	-	-	8.21	8.21	8.21
Trade Receivables	-	-	387.47	387.47	387.47
Cash and cash equivalents	-	-	1.80	1.80	1.80
Bank Balances other than Cash and Cash Equivalents	-	-	-	-	-
Loans & Advances	-	-	1.03	1.03	1.03
Other Financial Assets (Current)	-	-	2.83	2.83	2.83
Total Financial assets	**-**	**-**	**401.34**	**401.34**	**401.34**
Financial Liabilities					
Borrowings (Non-Current)	-	-	761.36	761.36	761.36
Lease Liabilities (Non-Current)	-	-	7.90	7.90	7.90
Other Financial Liabilities (Non-Current)	-	-	-	-	-
Borrowings (Current)	-	-	307.60	307.60	307.60
Lease Liabilities (Current)	-	-	0.12	0.12	0.12
Trade payables	-	-	347.88	347.88	347.88
Other Financial Liabilities (Current)	-	-	2.39	2.39	2.39
Total Financial liabilities	**-**	**-**	**1,427.25**	**1,427.25**	**1,427.25**

As at 31st March, 2024

Amount in Millions

Particulars	Fair Value through P&L	Fair Value through OCI	Amortised Cost	Total Carrying Value	Total Fair Value
Financial Assets					
Investments (Refer Note 5)	-	-	-	-	-
Other Financial Assets (Non - Current)	-	-	8.21	8.21	8.21
Trade Receivables	-	-	276.40	276.40	276.40
Cash and cash equivalents	-	-	1.75	1.75	1.75
Bank Balances other than Cash and Cash Equivalents	-	-	-	-	-
Loans & Advances	-	-	1.06	1.06	1.06
Other Financial Assets (Current)	-	-	0.43	0.43	0.43
Total Financial assets	**-**	**-**	**287.84**	**287.84**	**287.84**
Financial Liabilities					
Borrowings (Non-Current)	-	-	803.57	803.57	803.57
Lease Liabilities (Non-Current)	-	-	7.98	7.98	7.98
Other Financial Liabilities (Non-Current)	-	-	-	-	-
Borrowings (Current)	-	-	246.09	246.09	246.09
Lease Liabilities (Current)	-	-	0.12	0.12	0.12
Trade payables	-	-	259.05	259.05	259.05
Other Financial Liabilities (Current)	-	-	1.84	1.84	1.84
Total Financial liabilities	**-**	**-**	**1,318.65**	**1,318.65**	**1,318.65**

As at 31st March, 2023

Amount in Millions

Particulars	Fair Value through P&L	Fair Value through OCI	Amortised Cost	Total Carrying Value	Total Fair Value
Financial Assets					
Investments (Refer Note 5)	-	-	-	-	-
Other Financial Assets (Non - Current)	-	-	4.61	4.61	4.61
Trade Receivables	-	-	197.35	197.35	197.35
Cash and cash equivalents	-	-	2.19	2.19	2.19
Bank Balances other than Cash and Cash Equivalents	-	-	-	-	-
Loans & Advances	-	-	1.03	1.03	1.03
Other Financial Assets (Current)	-	-	0.11	0.11	0.11
Total Financial assets	**-**	**-**	**205.29**	**205.29**	**205.29**
Financial Liabilities					
Borrowings (Non-Current)	-	-	813.37	813.37	813.37
Lease Liabilities (Non-Current)	-	-	8.20	8.20	8.20
Other Financial Liabilities (Non-Current)	-	-	-	-	-
Borrowings (Current)	-	-	158.33	158.33	158.33
Lease Liabilities (Current)	-	-	0.11	0.11	0.11
Trade payables	-	-	217.09	217.09	217.09
Other Financial Liabilities (Current)	-	-	1.52	1.52	1.52
Total Financial liabilities	**-**	**-**	**1,198.62**	**1,198.62**	**1,198.62**

As at 31st March, 2022

Amount in Millions

Particulars	**Fair Value through P&L**	**Fair Value through OCI**	**Amortised Cost**	**Total Carrying Value**	**Total Fair Value**
Financial Assets					
Investments (Refer Note 5)	-	-	-	-	-
Other Financial Assets (Non - Current)	-	-	0.08	0.08	0.08
Trade Receivables	-	-	256.68	256.68	256.68
Cash and cash equivalents	-	-	0.36	0.36	0.36
Bank Balances other than Cash and Cash Equivalents	-	-	-	-	-
Loans & Advances	-	-	0.99	0.99	0.99
Other Financial Assets (Current)	-	-	0.08	0.08	0.08
Total Financial assets	**-**	**-**	**258.19**	**258.19**	**258.19**
Financial Liabilities					
Borrowings (Non-Current)	-	-	375.96	375.96	375.96
Lease Liabilities (Non-Current)	-	-	8.19	8.19	8.19
Other Financial Liabilities (Non-Current)	-	-	-	-	-
Borrowings (Current)	-	-	119.37	119.37	119.37
Lease Liabilities (Current)	-	-	0.10	0.10	0.10
Trade payables	-	-	233.78	233.78	233.78
Other Financial Liabilities (Current)	-	-	1.29	1.29	1.29
Total Financial liabilities	**-**	**-**	**738.69**	**738.69**	**738.69**

The company has assessed that trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, loans and advances other assets, borrowings, trade payables and other liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(B) Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

Financial Assets and Financial Liabilities measured at fair value in the Balance sheet are Companyed into three levels of a fair value heirarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices in active markets for identical assets and liabilities.
Level 2: Inputs other than quoted prices included within Level 1 that are observabe for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Fair value of the Company's financial assets and financial liabilities are measured at fair value on a recurring basis

(a) The Company uses the following hierarchy for determining and/or disclosing the fair value of financial assets by valuation techniques

As at 30th September, 2024

Amount in Millions

Particulars	**Date of Valuation**	**Fair Value as at 30th September 2024**	**Quoted prices in Active Markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Financial Assets					
Investments	-	-	-	-	-

As at 31st March, 2024

Amount in Millions

Particulars	**Date of Valuation**	**Fair Value as at 31st March 2024**	**Quoted prices in Active Markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Financial Assets					
Investments	-	-	-	-	-

As at 31st March, 2023

Amount in Millions

Particulars	**Date of Valuation**	**Fair Value as at 31st March 2023**	**Quoted prices in Active Markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Financial Assets					
Investments	-	-	-	-	-

As at 31st March, 2022

Amount in Millions

Particulars	**Date of Valuation**	**Fair Value as at 31st March 2022**	**Quoted prices in Active Markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Financial Assets					
Investments	-	-	-	-	-

*There is no movement from between Level 1, Level 2 and Level 3

(b) Financial Instruments amortised at cost

The carrying amount of financial assets and liabilities measured at amortised cost in the financial statements are a resonable approximation of their fair values since the Company does not anticipate that the carrying amounts will be significantly different from the values that would eventually be received or settled.

46 Financial Risk Management, Objective and Policies

The Company's principal financial liabilities comprises of trade and other payables. The Company's financial assets include trade and other receivables, and cash & cash equivalents that it derives directly from its operations.

The Company is exposed to a variety of risks namely market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by the Board of Directors that advises on financial risks and the appropriate financial risk governance framework for the Company. This provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The carrying amounts of financial assets represent the maximum credit risk exposure. Credit risk assessment on various components is described below:

(i) Trade Receivables

The exposure to credit risk on accounts receivables and amounts due from related parties is monitored on an ongoing basis by the management and these are considered recoverable by the Company's management. Accounts receivables were outstanding from few customers and hence the Company has concentration of accounts receivables and cosequent risk to that extent. The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the Company operates. Loss rates are based on actual credit loss experience and past trends.

The following year/period end trade receivables though overdue, are expected to be realised in the normal course of business and hence, are not considered impaired as at 30th September 2024, 31st March 2024, 31st March 2023 and 31st March 2022 :

Amount in Millions

Particulars	30th September 2024	31st March 2024	31st March 2023	31st March 2022
Neither impaired nor past due				
Past due but not impaired				
0-6 Months	387.47	272.29	197.34	256.68
6 Months - 12 Months	-	4.11	0.01	-
More than 12 Months	-	-	-	-
Total	**387.47**	**276.40**	**197.35**	**256.68**

Details of allowances for expected credit losses are provided hereunder:

Amount in Millions

Particulars	30th September 2024	31st March 2024	31st March 2023	31st March 2022
At the beginning of the period/year	0.37	-	-	-
Additions during the period/year	-	0.37	-	-
Adjustments during the period/year	-	-	-	-
Total	**0.37**	**0.37**	**-**	**-**

(ii) Cash and Cash Equivalents, Bank Deposits and Investments

The Company maintains its cash and cash equivalents, bank deposits and investment with reputed banks, financial institutions, and corporates. The credit risk on these instruments is limited because the counterparties are banks and high credit rated financial institutions and corporates assigned by credit rating agencies.

(iii) Other Financial Assets

This consists of loans and advances given to Employees and Security Deposits given to lessors as well as to utility providers like Electricity companies. These carries limited credit risk based on the financial position of parties and Company's historical experience of dealing with these parties.

(b) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and deposits.

(i) Interest Rate Risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure of the Company's fixed rate financial liabilities to interest rate risk is as follows:

The exposure of the Company's financial liabilities to interest rate risk is as follows:

Amount in Millions

Particulars	30th September 2024	31st March 2024	31st March 2023	31st March 2022
Closing Balance of Borrowings	**1,068.96**	**1,049.66**	**971.70**	**495.33**
Sensitivity analysis of impact on profit or loss due to change in interest rate:				
Increase by 1%	(10.69)	(10.50)	(9.72)	(4.95)
Decrease by 1%	10.69	10.50	9.72	4.95

(ii) Price Risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables for investments in debt oriented mutual funds and other financial instruments caused by factors specific to an individual investments, its issuer and market. The Company's exposure to price risk arises from diversified investments in mutual funds, preference shares and other equity instruments and classified in the balance sheet at fair value.

The exposure of the Company's investments to price risk is as follows:

Amount in Millions

Particulars	30th September 2024	31st March 2024	31st March 2023	31st March 2022
Closing Balance of Investments at Fair Value through Profit or Loss	**-**	**-**	**-**	**-**
Sensitivity analysis of imapct on profit or loss due to changes in prices of				
Increase by 5%	-	-	-	-
Decrease by 5%	-	-	-	-
Closing Balance of Investments at Fair Value through Other Comprehensive				
Sensitivity analysis of imapct on other comprehensive income due to changes				
Increase by 5%	-	-	-	-
Decrease by 5%	-	-	-	-

(iii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

Sensititvity Analysis

The sensitivity analysis has been based on the composition of the Company's financial assets and liabilities at the end of the respective reporting periods

Six months period ended 30th September 2024

Amount in Millions

Particulars	Currency	Foreign Currency in Millions	INR in Millions	Impact on Profit	
				1% Increase in Millions	1% Decrease in Millions
Financial Assets	US Dollar (USD)	0.72	60.14	0.60	(0.60)
Financial Assets	Euro (EUR)	0.04	3.89	0.04	(0.04)
Financial Liabilities	US Dollar (USD)	0.31	26.07	(0.26)	0.26
Financial Liabilities	Euro (EUR)			-	-

Year ended 31st March 2024

Amount in Millions

Particulars	Currency	Foreign Currency in Millions	INR in Millions	Impact on Profit	
				1% Increase in Millions	1% Decrease in Millions
Financial Assets	US Dollar (USD)	0.92	76.79	0.77	(0.77)
Financial Assets	Euro (EUR)	0.01	1.04	0.01	(0.01)
Financial Liabilities	US Dollar (USD)	0.12	10.20	(0.10)	0.10
Financial Liabilities	Euro (EUR)			-	-

Year ended 31st March, 2023

Amount in Millions

Particulars	Currency	Foreign Currency in Millions	INR in Millions	Impact on Profit	
				1% Increase in Millions	1% Decrease in Millions
Financial Assets	US Dollar (USD)	1.27	104.02	1.04	(1.04)
Financial Assets	Euro (EUR)	0.05	4.57	0.05	(0.05)
Financial Liabilities	US Dollar (USD)	0.14	11.71	(0.12)	0.12
Financial Liabilities	Euro (EUR)	-	-	-	-

Year ended 31st March, 2022

Amount in Millions

Particulars	Currency	Foreign Currency in Millions	INR in Millions	Impact on Profit	
				1% Increase in Millions	1% Decrease in Millions
Financial Assets	US Dollar (USD)	1.35	102.29	1.02	(1.02)
Financial Assets	Euro (EUR)	0.04	3.28	0.03	(0.03)
Financial Liabilities	US Dollar (USD)	0.06	4.51	(0.05)	0.05
Financial Liabilities	Euro (EUR)	-		-	-

(c) Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Company follows a Conservative policy of ensuring sufficient liquidity at all times through a strategy of profitable growth, efficient liquidity at all times through a strategy of profitable growth, efficient working capital management as well as pruduent capital expenditure. The Company has a overdraft facility with banks to support any temporary funding requirements.

The Company has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term, and long-term

Maturities of Financial Liabilities

The tables below analyse the Company's financial liabilities into relevant maturity Companyings based on their contractual maturities:

As at 30th September, 2024

Amount in Millions

Particulars	Less than 1 Year	More than 1 Year	Total
Borrowings	307.60	761.36	1,068.96
Lease Liabilities	0.12	7.90	8.02
Trade payables	347.88	-	347.88
Other Financial Liabilities	2.39	-	2.39
Total	**657.99**	**769.26**	**1,427.25**

As at 31st March, 2024

Amount in Millions

Particulars	Less than 1 Year	More than 1 Year	Total
Borrowings	246.09	803.57	1,049.66
Lease Liabilities	0.12	7.98	8.10
Trade payables	259.05	-	259.05
Other Financial Liabilities	1.84	-	1.84
Total	**507.09**	**811.56**	**1,318.65**

As at 31st March, 2023

Amount in Millions

Particulars	Less than 1 Year	More than 1 Year	Total
Borrowings	158.33	813.37	971.70
Lease Liabilities	0.11	8.20	8.31
Trade payables	217.09	-	217.09
Other Financial Liabilities	1.52	-	1.52
Total	**377.05**	**821.57**	**1,198.62**

As at 31st March, 2022

Amount in Millions

Particulars	Less than 1 Year	More than 1 Year	Total
Borrowings	119.37	375.96	495.33
Lease Liabilities	0.10	8.19	8.29
Trade payables	233.78	-	233.78
Other Financial Liabilities	1.29	-	1.29
Total	**354.54**	**384.15**	**738.69**

47 Capital Management

For the purpose of Company's capital management, Capital includes equity attributable to the equity holders of the COmpany and all other equity reserves. The primary objective of the Company's capital management is to safeguard its ability to continue as going concern and to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented in the balance sheet. The funding requirements are predominately met through equity and revenue generated from operations.

The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell non-core assets to reduce the debt.

The following table summarizes the capital of the company

Amount in Millions

Particulars	30th September 2024	31st March 2024	31st March 2023	31st March 2022
Debt (a)	1,068.96	1,049.66	971.70	495.33
Cash and cash equivalents (b)	1.80	1.75	2.19	0.36
Net debt (c)=(a)-(b)	**1,067.15**	**1,047.91**	**969.51**	**494.98**
Total Equity/ Net Worth	**907.43**	**798.90**	**564.93**	**385.76**
Gearing Ratio	**117.60%**	**131.17%**	**171.62%**	**128.31%**

*Lease liability arising on account of implementation of Ind AS 116 is not considered in the above working, as it is a liability.

*No changes were made in the objectives, policies or processes for managing capital during the current and previous period/year.

48 First-Time Adoption of Ind AS

The Company has voluntarily adopted Indian Accounting Standards as notified by the Ministry of Corporate Affairs and the financial statement for the period ended 30 September 2024 is the first set of Financial Statements prepared in accordance with the requirements of IND AS 101 - First time adoption of Indian Accounting Standards. Accordingly, the transition date to IND AS is 01 April 2023.

For periods up to and including the year ended 31st March 2024, the Company has prepared its annual financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP), due to which the Company has prepared its Special Purpose Ind AS Financial Statements for the purpose of Initial Public Offer (IPO) for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 having transition date 01st April 2021.

The Special purpose Ind AS Financial Statements as at and for the year ended 31 March 2024, 31 March 2023 and 31 March 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (01 April 2023) and as per the presentation, accounting policies and grouping/classifications including revised Schedule III disclosures followed as at and for the six months period ended 30 September 2024.

Ind AS 101 First Time adoption to Ind AS prescribes the accounting principles for first time adoption of Ind AS. It lays downs various 'transition' requirements when a Company adopts Ind AS for the first time. The accounting under Ind AS should be applied retrospectively at the time of transition to Ind AS. However, Ind AS 101 grants limited exemptions from these requirements. The Mandatory and Optional exemptions opted by the Company are mentioned below.

The impact / effects of above transition to the equity as at 31 March 2024, 31 March 2023, 31 March 2022 and 1 April 2021 (Opening balance sheet date for Special purpose financial statements) and on total comprehensive income for the years ended 31 March 2024, 31 March 2023 and 31 March 2022 has been explained as under.

Given below are the mandatory exceptions and optional exemptions applied in transition from previous GAAP to Ind AS:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

(I) Mandatory Exceptions
The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101.

(a) Estimates:
As per Ind AS 101 an entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.As per Ind AS 101 an entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Indian GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Group's Ind AS estimates as at the transition date are consistent with the estimates as at the same date made in conformity with the Indian GAAP.

Company's Ind AS estimates as at April 01 2021 are consistent with the estimates as at the same date made in conformity with the previous GAAP

(b) Classification and Measurement of Financial assets and Financial Liabilities:
In accordance with Ind AS 101, the Company has assessed the classification and measurement of financial assets on the basis of facts and circumstances that exist at the date of transition to Ind AS.

(II) Optional Exemptions

(a) Property Plant and Equipment and Intangible Assets:
In accordance of Para D7AA, the Company has opted to continue with the carrying amount of all its Property Plant and Equipment and Intangible assets measured in accordance with the previous GAAP as deemed cost on the date of transition to Ind AS.

(b) Leases:
The Company has recognised Lease Liability and Right of Use asset, as required by Ind AS 116, on date of transition to Ind AS. In accordance with Para D9B of Ind AS 101, the Company has recognised lease liability at the present value of the lease payments, discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS and right-of-use asset at its carrying amount as if Ind AS 116 had been applied since the commencement date of the lease, but discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS measure a right-of-use asset at the date of transition to Ind AS.

(c) Investments in Subsidiaries, Associates and Joint Venture:
On the date of transition to Ind AS, a Company has recognised investments in certain equity shares/mutual funds i.e. other than subsidiaries, associates and joint arrangements, as instruments Fair value through Profit and loss (FVTPL). Accordingly, the Company has opted to designate such equity investments as FVTPL.

(B) Explanatory notes to the transition from Indian GAAP to Ind AS:

(a) Property Plant and Equipment and Intangible Assets:

In accordance with Para D9B of Ind AS 101, the Company has recognised right of use assets and lease liability pertaining to Property taken on Rent, at the present value of the lease payments made as at lease commencement date, discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS and right-of-use asset at its carrying amount as if Ind AS 116 had been applied since the commencement date of the lease, but discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS measure a right-of-use asset at the date of transition to Ind AS.

(b) Lease Liability and Right of Use Asset:

In accordance with Para D9B of Ind AS 101, the Company has recognised right of use assets and lease liability pertaining to Property taken on Rent, at the present value of the lease payments made as at lease commencement date, discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS and right-of-use asset at its carrying amount as if Ind AS 116 had been applied since the commencement date of the lease, but discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS measure a right-of-use asset at the date of transition to Ind AS.

The Company applies the short-term lease recognition exemption to its short-term leases /rent (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

In addition, these leases also meet the criteria for the low-value asset lease recognition exemption, as the constituent components are deemed to be of low individual value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

(c) Investment Property:

As per Para 7 of Ind As 40 - "Investment Property", properties held to earn rentals or for capital appreciation or both is to be classified as investment property. However, as on date of transition to IND AS the Company does not have any Investment Property.

(d) Investments in Subsidiaries, Associates and Joint Venture:

On the date of transition to Ind AS, a Company has recognised investments in certain equity shares/mutual funds i.e. other than subsidiaries, associates and joint arrangements, as instruments Fair value through Profit and loss (FVTPL). Accordingly, the Company has opted to designate such equity investments as FVTPL.

(e) Borrowings (Part of Financial Liabilities)

Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

As on the date of transition the Company have carried out the calculation of effective rate of interest in case of Bank Term Loan. As there was no material difference arises between the ROI as per Sanction Letter (Market Rate) and calculated Effective Interest Rate, in such case, the Company has decided to continue the treatment & presentation as per original repayment schedule.

(f) Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 "Income Taxes" requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

(g) Expected Credited Loss Allowances:

Under Ind AS, expected life time credit provision is made on trade receivables. Under Indian GAAP, the provision for doubtful debts was made using ageing analysis and an individual assessment of recoverability.

(h) Re-measurement Cost and Past Service Cost of Net Defined Liability

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis.

(i) Re-measurement Cost

Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

(ii) Past Service Cost

Under the Indian GAAP, past service cost is recognised as an expense on a straight line basis over average period until the benefits become vested. However, as per Ind AS past service cost are recognized immediately, following the introduction of, or changes to a defined plan regardless of whether the benefits thereunder are vested.

(i) Other Comprehensive Income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

(j) Statement of cash flows:

The transition from Indian GAAP to Ind AS does not have material impact on the statement of cash flows, except for payment of lease liabilities, which were forming part of operating activity under Previous GAAP and are now included under financing activity.

(C) Transition to Ind AS - Reconciliations

The following reconciliations provide the explanation of the differences arising from the transition from Indian GAAP to Ind AS in accordance with Ind AS 101:

(C1) Reconciliation of Balance Sheet as reported under Indian GAAP to Ind AS

As at 31st March 2024

Amount in Millions

Particulars	Explanatory Notes	Indian GAAP Values	Inter Head Reclassification	Effects of transition to Ind AS	Ind AS Balance sheet
I Assets					
1 Non - Current Assets					
(a) Property, Plant and Equipment	(a)	1,445.25	-	-	1,445.25
(b) Capital Work - in - Progress		121.55	-	-	121.55
(c) Intangible Assets	(a)	0.70	-	-	0.70
(d) Right-Of-Use Assets	(b)	-	-	7.55	7.55
(e) Financial Assets					-
(i) Investments		-	-	-	-
(ii) Others Financial Assets		-	8.21	-	8.21
(f) Other Non - Current Assets		-	-	-	-
Total Non - Current Assets		**1,567.51**	**8.21**	**7.55**	**1,583.27**
2 Current assets					
(a) Inventories		244.45	-	17.94	262.40
(b) Financial Assets					
(i) Trade Receivables		305.22	-	(28.82)	276.40
(ii) Cash and Cash Equivalents		1.75	-	-	1.75
(iii) Bank Balances other than Cash and Cash Equivalents		-	-	-	-
(iv) Loans & Advances		103.58	(102.53)	-	1.06
(v) Other financial assets		-	0.43	-	0.43
(c) Other Current Assets		27.30	93.89	-	121.19
Total Current Assets		**682.31**	**(8.21)**	**(10.88)**	**663.22**
Total Assets		**2,249.82**	**-**	**(3.33)**	**2,246.49**
II Equity and Liabilities					
A Equity					
(a) Equity Share Capital		42.52	-	-	42.52
(b) Other Equity		767.53	-	(11.16)	756.37
Total Equity		**810.05**	**-**	**(11.16)**	**798.90**
B Liabilities					
1 Non - Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	(e)	859.67	(56.10)	-	803.57
(ii) Lease Liabilities	(b)	-	-	7.98	7.98
(iii) Other Financial Liabilities		-	-	-	-
(b) Long Term Provisions		-	7.48	-	7.48
(c) Deferred Tax Liabilities (Net)	(f)	51.88	-	(0.27)	51.60
(d) Other Non - Current Liabilities		-	-	-	-
Total Non - Current Liabilities		**911.55**	**(48.62)**	**7.71**	**870.64**
2 Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	(e)	189.99	56.10	-	246.09
(ii) Lease Liabilities	(b)	-	-	0.12	0.12
(iii) Trade Payables					
(A) total outstanding dues of micro enterprises and small enterprises; and		30.60	-	-	30.60
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		228.45	-	-	228.45
(iii) Other Financial liablities		-	1.84	-	1.84
(b) Short Term Provisions		67.05	(59.78)	-	7.27
(c) Liability for Current Tax (Net)		-	52.30	-	52.30
(d) Other Current Liabilities		12.13	(1.84)	-	10.29
Total Current Liabilities		**528.21**	**48.62**	**0.12**	**576.95**
Total Liabilities		**2,249.82**	**-**	**(3.33)**	**2,246.49**

As at 31st March 2023

Amount in Millions

Particulars	Explanatory Notes	Indian GAAP Values	Inter Head Reclassification	Effects of transition to Ind AS	Ind AS Balance sheet
I Assets					
1 Non - Current Assets					
(a) Property, Plant and Equipment	(a)	745.91	-	-	745.91
(b) Capital Work - in - Progress		540.69	-	-	540.69
(c) Intangible Assets	(a)	1.16	-	-	1.16
(d) Right-Of-Use Assets	(b)	-	-	7.88	7.88
(e) Financial Assets					-
(i) Investments		-	-	-	-
(ii) Others Financial Assets		-	4.61	-	4.61
(f) Other Non - Current Assets		-	-	-	-
Total Non - Current Assets		**1,287.76**	**4.61**	**7.88**	**1,300.26**
2 Current assets					
(a) Inventories		152.58	-	33.09	185.68
(b) Financial Assets					
(i) Trade Receivables		265.04	-	(67.69)	197.35
(ii) Cash and Cash Equivalents		2.19	-	-	2.19
(iii) Bank Balances other than Cash and Cash Equivalents		-	-	-	-
(iv) Loans & Advances		78.23	(77.19)	-	1.03
(v) Other financial assets		-	0.11	-	0.11
(c) Other Current Assets		107.72	72.47	-	180.19
Total Current Assets		**605.76**	**(4.61)**	**(34.60)**	**566.55**
Total Assets		**1,893.52**	**-**	**(26.72)**	**1,866.80**
II Equity and Liabilities					
A Equity					
(a) Equity Share Capital		42.52	-	-	42.52
(b) Other Equity		557.31	-	(34.91)	522.40
Total Equity		**599.83**	**-**	**(34.91)**	**564.93**
B Liabilities					
1 Non - Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	(e)	810.99	2.38	-	813.37
(ii) Lease Liabilities	(b)	-	-	8.20	8.20
(iii) Other Financial Liabilities		-	-	-	-
(b) Long Term Provisions		-	5.45	-	5.45
(c) Deferred Tax Liabilities (Net)	(f)	15.14	-	(0.12)	15.03
(d) Other Non - Current Liabilities		-	-	-	-
Total Non - Current Liabilities		**826.13**	**7.82**	**8.08**	**842.04**
2 Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	(e)	160.71	(2.38)	-	158.33
(ii) Lease Liabilities	(b)	-	-	0.11	0.11
(iii) Trade Payables					
(A) total outstanding dues of micro enterprises and small enterprises; and		106.58	-	-	106.58
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		110.51	-	-	110.51
(iii) Other Financial liablities		-	1.52	-	1.52
(b) Short Term Provisions		77.29	(70.45)	-	6.84
(c) Liability for Current Tax (Net)		-	65.00	-	65.00
(d) Other Current Liabilities		12.46	(1.52)	-	10.94
Total Current Liabilities		**467.55**	**(7.82)**	**0.11**	**459.83**
Total Liabilities		**1,893.52**	**-**	**(26.72)**	**1,866.80**

As at 31st March 2022

Amount in Millions

Particulars	**Explanatory Notes**	**Indian GAAP Values**	**Inter Head Reclassification**	**Effects of transition to Ind AS**	**Ind AS Balance sheet**
I Assets					
1 Non - Current Assets					
(a) Property, Plant and Equipment	(a)	188.23	-	-	188.23
(b) Capital Work - in - Progress		382.91	-	-	382.91
(c) Intangible Assets	(a)	-	-	-	-
(d) Right-Of-Use Assets	(b)	-	-	8.21	8.21
(e) Financial Assets					-
(i) Investments	(d)	-	-	-	-
(ii) Others Financial Assets		-	4.61	-	4.61
(f) Deferred Tax Assets (Net)	(f)	4.71	-	0.20	4.92
(g) Other Non - Current Assets		-	-	-	-
Total Non - Current Assets		**575.85**	**4.61**	**8.41**	**588.87**
2 Current assets					
(a) Inventories		126.26	-	17.41	143.67
(b) Financial Assets					
(i) Trade Receivables		283.61	-	(26.93)	256.68
(ii) Cash and Cash Equivalents		0.36	-	-	0.36
(iii) Bank Balances other than Cash and Cash Equivalents		-	-	-	-
(iv) Loans & Advances		193.28	(192.29)	-	0.99
(v) Other financial assets		-		-	0.08
(c) Other Current Assets		61.97	187.59	-	249.56
Total Current Assets		**665.47**	**(4.70)**	**(9.52)**	**651.33**
Total Assets		**1,241.32**	**(0.08)**	**(1.11)**	**1,240.21**
II Equity and Liabilities					
A Equity					
(a) Equity Share Capital		35.00	-	-	35.00
(b) Other Equity		361.13	-	(10.36)	350.76
Total Equity		**396.13**	**-**	**(10.36)**	**385.76**
B Liabilities					
1 Non - Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	(e)	374.80	1.16	-	375.96
(ii) Lease Liabilities	(b)	-	-	8.19	8.19
(iii) Other Financial Liabilities		-	-	-	-
(b) Long Term Provisions		-	2.71	0.97	3.68
(c) Other Non - Current Liabilities		-	-	-	-
Total Non - Current Liabilities		**374.80**	**3.88**	**9.16**	**387.83**
2 Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	(e)	120.53	(1.16)	-	119.37
(ii) Lease Liabilities	(b)	-	-	0.10	0.10
(iii) Trade Payables					
(A) total outstanding dues of micro enterprises and small enterprises; and		125.79	-	-	125.79
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		107.99	-	-	107.99
(iii) Other Financial liablities		-	1.29	-	1.29
(b) Short Term Provisions		73.82	(68.21)	-	5.61
(c) Liability for Current Tax (Net)		-	65.50	-	65.50
(d) Other Current Liabilities		42.25	(1.29)	-	40.96
Total Current Liabilities		**470.39**	**(3.88)**	**0.10**	**466.61**
Total Liabilities		**1,241.32**	**-**	**(1.11)**	**1,240.21**

As at 01st April 2021

Amount in Millions

Particulars	Explanatory Notes	Indian GAAP Values	Inter head Re-classification	Effects of transition to Ind AS	Ind AS Balance sheet
I Assets					
1 Non - Current Assets					
(a) Property, Plant and Equipment	(a)	204.90	-	-	204.90
(b) Capital Work - in - Progress		22.27	-	-	22.27
(c) Intangible Assets	(a)	-	-	-	-
(d) Right-Of-Use Assets	(b)	-	-	-	-
(e) Financial Assets		-			
(i) Investments		6.00	-	1.01	7.01
(ii) Others Financial Assets		-	9.86	-	9.86
(f) Deferred Tax Assets (Net)	(f)	2.81	-	(0.34)	2.47
(g) Other Non - Current Assets		-	-	-	-
Total Non - Current Assets		**235.98**	**9.86**	**0.67**	**246.51**
2 Current assets					
(a) Inventories		90.03	-	-	90.03
(b) Financial Assets					
(i) Trade Receivables		259.25	-	-	259.25
(ii) Cash and Cash Equivalents		0.96	-	-	0.96
(iii) Bank Balances other than Cash and Cash Equivalents		-	-	-	-
(iv) Loans & Advances		69.12	(68.57)	-	0.55
(v) Other Financial Assets		-	0.09	-	0.09
(c) Other Current Assets		40.58	58.62	-	99.20
Total Current Assets		**459.93**	**(9.86)**	**-**	**450.08**
Total Assets		**695.91**	**-**	**0.67**	**696.59**
II Equity and Liabilities					
A Equity					
(a) Equity Share Capital		35.00	-	-	35.00
(b) Other Equity		159.31	-	0.67	159.98
Total Equity		**194.31**	**-**	**0.67**	**194.98**
B Liabilities					
1. Non - Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	(e)	126.97	-	-	126.97
(ii) Lease Liabilities	(b)	-	-	-	-
(iii) Other Financial Liabilities		-	-	-	-
(b) Long Term Provisions		-	-	-	-
(c) Other Non - Current Liabilities		-	-	-	-
Total Non - Current Liabilities		**126.97**	**-**	**-**	**126.97**
2 Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	(e)	133.19	-	-	133.19
(ii) Lease Liabilities	(b)	-	-	-	-
(iii) Trade Payables					
(A) total outstanding dues of micro enterprises and small enterprises; and		74.92	-	-	74.92
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		83.98	-	-	83.98
(iii) Other Financial liabilities		-	0.68	-	0.68
(b) Short Term Provisions		47.67	(44.71)	-	2.96
(c) Liability for Current Tax (Net)		-	47.67	-	47.67
(d) Other Current Liabilities		34.88	(3.65)	-	31.23
Total Current Liabilities		**374.64**	**-**	**-**	**374.64**
Total Liabilities		**695.91**	**-**	**0.67**	**696.59**

(C2) Reconciliation of Statement of Profit and Loss as reported under Indian GAAP to Ind AS

For the year ended 31st March 2024

Amount in Millions

Particulars	Explanatory Notes	Indian GAAP Values	Inter head Re-classification	Effects of transition to Ind AS	Ind AS Balance sheet
I Income					
(a) Revenue from Operations		1,326.92	8.05	39.24	1,374.21
(b) Other Income		11.93	(5.48)	-	6.45
Total Income		**1,338.85**	**2.56**	**39.24**	**1,380.66**
II Expenses					
(a) Cost of Materials Consumed		742.71	-	-	742.71
(b) Purchases of Traded Goods		-	-	-	-
(c) Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress		(93.63)	-	15.15	(78.47)
(d) Employee Benefits Expense	(h)	113.50	-	(0.12)	113.38
(e) Finance Costs		60.55	2.52	0.73	63.80
(f) Depreciation and Amortization Expense	(a),(b)	142.22	-	0.33	142.55
(g) Other Expenses	(g)	74.21	0.05	(0.57)	73.69
Total Expenses		**1,039.56**	**2.56**	**15.53**	**1,057.66**
III Profit/ (Loss) before Exceptional Items and Tax		**299.29**	**-**	**23.71**	**323.00**
IV Exceptional Item		-	-	-	-
V Profit/ (Loss) before Tax		**299.29**	**-**	**23.71**	**323.00**
VI Tax Expense					
(a) Current Tax		52.30	-	-	52.30
(b) Deferred Tax Charge/(Credit)	(f)	36.73	-	(0.12)	36.61
(c) Tax in Respect of Earlier Years		-		-	-
Total Tax Expense		**89.03**	**-**	**(0.12)**	**88.91**
VII Profit/(Loss) for the Period from Continuing Operations		**210.26**	**-**	**23.83**	**234.09**
VIII Other Comprehensive Income					
(a) Items that will not be Reclassified to Profit & Loss					
(i) Remeasurements of Net Defined Benefit Plans	(i),(h)	-	-	(0.12)	(0.12)
(ii) Income Tax Relating to Above Items		-	-	0.03	0.03
(b) Items that will be Reclassified to Profit & Loss					
(i) Difference due to changes in Foreign Exchange Translation		-	-	-	-
IX Total Comprehensive Income for the year		**210.26**		**23.75**	**234.01**

For the year ended 31st March 2023

Amount in Millions

Particulars	Explanatory Notes	Indian GAAP Values	Inter head Re-classification	Effects of transition to Ind AS	Ind AS Balance sheet
I Income					
(a) Revenue from Operations		1,090.71	7.25	(40.76)	1,057.19
(b) Other Income		7.37	(4.30)	-	3.07
Total Income		**1,098.08**	**2.95**	**(40.76)**	**1,060.27**
II Expenses					
(a) Cost of Materials Consumed		633.80	-	-	633.80
(b) Purchases of Traded Goods		-	-	-	-
(c) Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress		(42.90)	-	(15.69)	(58.59)
(d) Employee Benefits Expense	(h)	99.90	-	(2.38)	97.52
(e) Finance Costs		14.92	2.94	0.74	18.60
(f) Depreciation and Amortization Expense	(a),(b)	23.32	-	0.33	23.65
(g) Other Expenses	(g)	80.74	0.02	(0.72)	80.04
Total Expenses		**809.79**	**2.95**	**(17.71)**	**795.03**
III Profit/ (Loss) before Exceptional Items and Tax		**288.28**	**-**	**(23.05)**	**265.24**
IV Exceptional Item		-	-	-	-
V Profit/ (Loss) before Tax		**288.28**	**-**	**(23.05)**	**265.24**
VI Tax Expense					
(a) Current Tax		65.00	-	-	65.00
(b) Deferred Tax Charge/(Credit)	(f)	19.86	-	0.50	20.35
(c) Tax in Respect of Earlier Years		-		-	-
Total Tax Expense		**84.86**	**-**	**0.50**	**85.35**
VII Profit/(Loss) for the Period from Continuing Operations		**203.43**	**-**	**(23.54)**	**179.89**
VIII Other Comprehensive Income					
(a) Items that will not be Reclassified to Profit & Loss					
(i) Remeasurements of Net Defined Benefit Plans	(i),(h)	-	-	(1.41)	(1.41)
(ii) Income Tax Relating to Above Items		-	-	0.41	0.41
(b) Items that will be Reclassified to Profit & Loss					
(i) Difference due to changes in Foreign Exchange Translation		-	-	-	-
IX Total Comprehensive Income for the year		**203.43**		**(24.54)**	**178.88**

For the year ended 31st March 2022

Amount in Millions

	Particulars	Explanatory Notes	Indian GAAP Values	Inter head Re-classification	Effects of transition to Ind AS	Ind AS Balance sheet
I	**Income**					
	(a) Revenue from Operations		1,097.81	10.13	(26.93)	1,081.01
	(b) Other Income		14.31	(1.14)	-	13.16
	Total Income		**1,112.12**	**8.98**	**(26.93)**	**1,094.17**
II	**Expenses**					
	(a) Cost of Materials Consumed		684.12	-	-	684.12
	(b) Purchases of Traded Goods		-	-	-	-
	(c) Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress		(30.99)	-	(17.41)	(48.40)
	(d) Employee Benefits Expense	(h)	78.03	(0.02)	0.97	78.97
	(e) Finance Costs		26.30	7.90	0.25	34.45
	(f) Depreciation and Amortization Expense	(a),(b)	23.33	-	0.11	23.44
	(g) Other Expenses	(g)	116.31	1.10	(0.28)	117.14
	Total Expenses		**897.10**	**8.98**	**(16.36)**	**889.72**
III	**Profit/ (Loss) before Exceptional Items and Tax**		**215.02**	**-**	**(10.57)**	**204.45**
IV	**Exceptional Item**		-	-	-	-
V	**Profit/ (Loss) before Tax**		**215.02**	**-**	**(10.57)**	**204.45**
VI	**Tax Expense**					
	(a) Current Tax		65.50	-	-	65.50
	(b) Deferred Tax Charge/(Credit)	(f)	(1.90)	-	(0.54)	(2.45)
	(c) Tax in Respect of Earlier Years		-		-	-
	Total Tax Expense		**63.60**	**-**	**(0.54)**	**63.05**
VII	**Profit/(Loss) for the Period from Continuing Operations**		**151.42**	**-**	**(10.02)**	**141.39**
VIII	**Other Comprehensive Income**					
	(a) Items that will not be Reclassified to Profit & Loss					
	(i) Remeasurements of Net Defined Benefit Plans	(i),(h)	-	-	-	-
	(ii) Income Tax Relating to Above Items		-	-	-	-
	(b) Items that will be Reclassified to Profit & Loss					
	(i) Difference due to changes in Foreign Exchange Translation		-	-	-	-
IX	**Total Comprehensive Income for the year**		**151.42**	**-**	**(10.02)**	**141.39**

(C3) Reconciliation of Total Equity as reported under Indian GAAP to Ind AS

Amount in Millions

Particulars	Explanatory Notes	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022	As at 01 st April 2021
Equity as per Indian GAAP Financial Statements:					
(i) Shareholder's Equity		810.05	599.83	396.13	194.31
Total Equity		**810.05**	**599.83**	**396.13**	**194.31**
Adjustments for Transition to Ind AS:					
(i) Finance Cost of Lease Liability	(b)	(1.72)	(0.99)	(0.25)	-
(ii) Reduction in Amortization of Right-Of-Use Asset	(b)	(0.77)	(0.44)	(0.11)	-
(iii) Lease Rentals reduced from Lease Liability	(b)	1.94	1.00	0.28	-
(v) Effect of Sales Derecognition	(c)	(10.51)	(34.60)	(9.52)	-
(vii) Deferred Tax Assets	(i)	0.27	0.12	0.20	(0.34)
(viii) Provision for Retirement Benefits	(k)	-	-	(0.97)	-
(ix) Fair Value Gain on Mutual Funds through P&L	(f)	-	-	-	1.01
(x) Provision for Expected Credit Loss		(0.37)	-	-	-
Equity as per Ind AS Financial Statements:					
(i) Shareholder's Equity		798.90	564.93	385.76	194.98
Total Equity		**798.90**	**564.93**	**385.76**	**194.98**

(C4) Adjustments to Statement of Cash Flows as reported under Indian GAAP to Ind AS for the year ended 31st March 2024, 31st March 2023 and 31st March 2022

The transition from Indian GAAP to Ind AS does not have material impact on the statement of cash flows, except for payment of lease liabilities, which were forming part of operating activity under Indian GAAP and are now included under financing activity.

49 Additional Statutory Information - Ratios:

(a) Current Ratio = Current Assets divided by Current Liabilities

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Current Assets	890.79	663.22	566.55	651.33
Current Liabilities	729.04	576.95	459.83	466.61
Ratio (Times)	**1.22**	**1.15**	**1.23**	**1.40**
% Change from previous year	6.29	(6.70)	(11.74)	-

Reason for change more than 25% - Not applicable

(b) Debt Equity Ratio = Total Debt divided by Total Equity

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Total Debt	1,068.96	1,049.66	971.70	495.33
Total Equity	907.43	798.90	564.93	385.76
Ratio (Times)	**1.18**	**1.31**	**1.72**	**1.28**
% Change from previous year	(10.34)	(23.61)	33.96	-

Reason for change more than 25% -
During the FY 2022-23 , there is substantial increase in total debt whereas Total equity does not increase proportionately

(c) Debt Service Coverage Ratio = Earnings available for servicing debt divided by total interest and principal repayments

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Profit before tax	160.21	323.00	265.24	204.45
Add: Depreciation	113.94	142.55	23.65	23.44
Add: Finance Cost	48.25	63.80	18.60	34.45
Adjusted Profit	**322.40**	**529.35**	**307.49**	**262.34**
Interest cost on borrowings and Principal Repayments	59.71	94.26	56.56	72.55
Total of Interest and Principal Repayments	**59.71**	**94.26**	**56.56**	**72.55**
Ratio (Times)	**5.40**	**5.62**	**5.44**	**3.62**
% Change from previous year*	(3.85)	3.30	50.35	

Reason for change more than 25% -
**For six months period ended 30th September 2024, ratio is not annualised and therefore reason for change for more than 25% is not provided.*
During FY 2022-23, company has repaid the entire Term loan outstanding as on 31st March 2021 due to which Ratio is comparatively lower in FY 2021-22

(d) Return on Equity Ratio = Profit after tax divided by Average Equity

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Profit after tax	108.91	234.09	179.89	141.39
Average Shareholder's Equity **	853.16	681.91	475.35	290.37
Ratio (%)	**12.77**	**34.33**	**37.84**	**48.69**
% Change from previous year*	(62.81)	(9.29)	(22.28)	-

** Return on Equity is computed by considering Average Shareholder's fund for six months period ended 30th September 2024 and year ended 31st March 2024, 31st March 2023 and 31st March 2022 Closing Shareholder's fund is considered.

Reason for change more than 25% -
**For six months period ended 30th September 2024, ratio is not annualised and therefore reason for change for more than 25% is not provided.*

(e) Trade Receivables Turnover Ratio = Credit Sales divided by Average Trade Receivables

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Revenue from Operations	784.48	1,374.21	1,057.19	1,081.01
Average Trade Receivables **	331.93	236.87	227.01	257.97
Ratio (Times)	**2.36**	**5.80**	**4.66**	**4.19**
% Change from previous year*	(59.26)	24.58	11.13	-

Reason for change more than 25% - Not applicable
**For six months period ended 30th September 2024, ratio is not annualised and therefore reason for change for more than 25% is not provided.*

(f) Trade Payables Turnover Ratio = Credit Purchases divided by Average Trade Payables

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Credit Purchases	514.91	740.95	617.22	689.36
Average Trade Payables	303.46	238.07	225.44	196.35
Ratio (Times)	**1.70**	**3.11**	**2.74**	**3.51**
% Change from previous year*	(45.48)	13.68	(22.02)	-

Reason for change more than 25% -

**For six months period ended 30th September 2024, ratio is not annualised and therefore reason for change for more than 25% is not provided.*

(g) Inventory Turnover Ratio = Cost of Goods Sold divided by Average Inventory

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Cost of Goods Sold	330.03	664.23	575.22	635.72
Average Inventory	354.84	224.04	164.67	116.85
Ratio (Times)	**0.93**	**2.96**	**3.49**	**5.44**
% Change from previous year*	(68.63)	(15.12)	(35.79)	-

Reason for change more than 25% -

**For six months period ended 30th September 2024, ratio is not annualised and therefore reason for change for more than 25% is not provided.*

During FY 2022-23, Due to slight decrease in turnover and substantial increase in Inventory leads to lower Inventory turnover ratio.

(h) Net Capital Turnover Ratio = Sales divided by Average Working Capital

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Revenue from Operations	784.48	1,374.21	1,057.19	1,081.01
Average Working Capital	124.01	96.49	145.72	130.08
Ratio (Times)	**6.33**	**14.24**	**7.26**	**8.31**
% Change from previous year*	(55.58)	96.30	(12.70)	-

Reason for change more than 25% -

**For six months period ended 30th September 2024, ratio is not annualised and therefore reason for change for more than 25% is not provided.*

During FY 2023-24, Revenue from operations of the company has increased against which requirement for working capital decreased resulting in improved Net Capital Turnover ratio.

(i) Net Profit Ratio = Restated Profit after Tax divided by Revenue from Operations

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Profit after Tax	108.91	234.09	179.89	141.39
Revenue from Operations	784.48	1,374.21	1,057.19	1,081.01
Ratio (%)	**13.88**	**17.03**	**17.02**	**13.08**
% Change from previous year*	(18.50)	0.11	30.09	-

Reason for change more than 25% -

**For six months period ended 30th September 2024, ratio is not annualised and therefore reason for change for more than 25% is not provided.*

During FY 2022-23, Profitability increased significantly resulting into improved Net Profit Ratio.

(j) Return on Capital Employed = Adjusted EBIT/ Total Capital Employed

Amount in Millions

Particulars	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Profit before Tax	160.21	323.00	265.24	204.45
Add: Finance Cost	48.25	63.80	18.60	34.45
Earnings Before Interest and Taxes	**208.46**	**386.80**	**283.84**	**238.90**
Tangible Net Worth	906.87	798.19	563.77	385.76
Total Debt	1,068.96	1,049.66	971.70	495.33
Total Capital Employed	1,975.83	1,847.85	1,535.47	881.10
Average Total Capital Employed **	**1,911.84**	**1,691.66**	**1,208.28**	**668.12**
Ratio (%)	**10.90**	**22.87**	**23.49**	**35.76**
% Change from previous year*	(52.31)	(2.66)	(34.30)	-

** Return on Capital employed is computed by considering Average Total Captial Employed for six months period ended 30th September 2024 and year ended 31st March 2024, 31st March 2023 and 31st March 2022 Closing Capital employed is considered.

Reason for change more than 25% -

**For six months period ended 30th September 2024, ratio is not annualised and therefore reason for change for more than 25% is not provided.*

During FY 2022-23, Total debt of the company has been increased against which EBIT increased marginally, resulting into lower Return on Capital Employed.

50 Dividend on Equity Shares

Amount in Millions

Particulars	**Six months period ended 30th September 2024**	**Year ended 31st March 2024**	**Year ended 31st March 2023**	**Year ended 31st March 2022**
Dividend on equity shares declared and paid during the period/year				
Dividend per equity share of face value ₹ 10 each (30th September 2024: Nil, 31st March 2024: Nil, 31st March 2023: Nil, 31st March 2022: Nil per equity share of face value ₹ 10 each)	-	-	-	-
Dividend distribution Tax on Dividend	-	-	-	-
Total	**-**	**-**	**-**	**-**

51 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding have been initiated or pending against the Company for holding any Benami property.

(ii) The title deeds of all the immovable properties, (other than immovable properties relating to Right of use assets where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the Restated Financial Information included in (Property, Plant and Equipment and capital work-in progress) are held in the name of the Company.

(iii) The Company did not have any transactions with Companies struck off.

(iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) The Company has not traded or invested in Crypto currency or Virtual Currency during the respective financial years.

(vi) The Company has not advanced or loaned or invested funds to any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding
  (a) Directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded
  (a) Directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate
  (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(viii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(ix) None of the Company entities have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(x) The Company has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with Companies (Restrictions on Number of Layers) Rules, 2017.

52 Social Security Code

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules / interpretation have not yet been issued. The Company will assess the impact of the Code when it come into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the Company believes the impact of the change will not be significant.

53 Events after Balance Sheet Date

(i) The Company has been converted from Private Limited Company to a Public Limited Company pursuant to resolution of Board passed at the Board Meeting dated August 15, 2024. A fresh certificate of incorporation with the name "ALLCHEM LIFESCIENCE LIMITED" was issued by the Registrar of Companies (ROC) on October 28, 2024.

(ii) Pursuant to the resolution passed by the board of directors of the Company held on December 20, 2024, the Authorised Equity Share Capital of the Company has been increased from Rs. 100 Millions (1,00,00000 Equity shares) to Rs. 900 Millions consisting of 9,00,00,000 Equity Shares of Rs. 10 each.

(iii) Pursuant to the resolution passed by the Company at the Meeting of Members held on December 20, 2024, the Company has approved the issuance of 17 Bonus shares of face value of Rs. 10 each for every 1 existing fully paid up Equity shares of face value of Rs.10 approved.

Resolution for allotment of these shares was approved by the board of directors on February 28, 2025 and 7,22,87,995 bonus shares having face value of Rs. 10/- were issued resulting to 7,65,40,230 total number of equity shares of the Company having face value of Rs. 10/- each. The Company has issued bonus shares in accordance with Section 63 of the Companies Act, 2013.

The impact of issuance of bonus shares has been accordingly considered for the Computation of Earnings Per Share as per the requirement of Ind AS 33 - Earning Per Share.

(iv) Subsequent to period ended September 30, 2024 the Company has appointed the following personnel:

Name of person	Date	Appointed as
Key Managerial Personnel:		
Mr Jigardan Gadhvi		Company Secretary & Compliance Officer
Mr. Sachin Mistry	20-12-2024	Chief Financial Officer
Independent Director:		
Mr. Hemang Mehta	20-12-2024	Independent Director
Ms Lavina B Chhugani	20-12-2024	Woman Independent Director
Mr. Rajnikant Diwan	20-12-2024	Independent Director

54 The previous year's figures have been regrouped/reclassified wherever considered necessary to make them comparable with those of current period's classification.

As per our Report of even date
For Talati & Talati LLP
Chartered Accountants
FRN: 110758W/W100377

For and on behalf of Board of Directors
For Allchem Lifescience Limited
(Formerly Known as Allchem Lifescience Private Limited)

CA Manish Baxi
Partner
Membership No. 045011
Place : Vadodara
Date : 03-03-2025

Mr. Bipin Patel
Managing Director
DIN 03386173
Place : Vadodara
Date : 03-03-2025

Mr. Kantilal Patel
Director
DIN 07691463
Place : Vadodara
Date : 03-03-2025

Mr Sachin Mistry
Chief Financial Officer
Place : Vadodara
Date : 03-03-2025

Mr Jigardan Gadhvi
Company Secretary & Compliance Officer
Place : Vadodara
Date : 03-03-2025

OTHER FINANCIAL INFORMATION

Partculars	Six months period ended 30th September 2024	Year ended 31st March 2024	Year ended 31st March 2023	Year ended 31st March 2022
Restated profit for the year/ period (A) (₹ in million)	108.91	234.09	179.89	141.39
Weighted average number of equity shares for calculation of basic and diluted earnings per share (B)	7,65,40,230	7,65,40,230	7,61,69,268	6,30,00,000
Basic earnings per share (₹) (C = A/B)	**1.42**	**3.06**	**2.36**	**2.24**
Diluted earnings per share (₹) (D = A/B)	**1.42**	**3.06**	**2.36**	**2.24**
Reconciliation of return on net worth				
Average Net worth (A) (₹ in million) (Refer Note 6)	853.16	681.91	475.35	290.37
Restated profit for the year/ period (B) (₹ in million)	108.91	234.09	179.89	141.39
Return on net worth (%) (C = B/A)	**12.77%**	**34.33%**	**37.84%**	**48.69%**
Reconciliation of net asset value per share				
Restated Net worth (A) (₹ in million) (Refer Note 6)	907.43	798.90	564.93	385.76
Numbers of Equity Shares outstanding at the of the year /period adjusted for the Impact of Bonus issue after end of the year/period but before the date of filing of this Draft Red Herring Prospectus (B)	7,65,40,230	7,65,40,230	7,65,40,230	6,30,00,000
Net asset value per share (in ₹) (C = A/B)	**11.86**	**10.44**	**7.38**	**6.12**
Restated profit for the year/ period (A) (₹ in million)	108.91	234.09	179.89	141.39
Total tax expense (B) (₹ in million)	51.29	88.91	85.35	63.05
Finance costs (C) (₹ in million)	48.25	63.80	18.60	34.45
Depreciation and amortisation expense (D) (₹ in million)	113.94	142.55	23.65	23.44
Other Income (E) (₹ in million)	0.83	6.45	3.07	13.16
EBITDA (F=A+B+C+D-E) (₹ in million)	**321.57**	**522.90**	**304.42**	**249.18**
Revenue from operation (₹ in million)	**784.48**	**1,374.21**	**1,057.19**	**1,081.01**
EBITDA / Revenue from operation (in %)	**40.99%**	**38.05%**	**28.79%**	**23.05%**

The ratios have been computed as below :

1) Accounting and other ratios have been derived from Restated Financial Information (“RFI”).

2) Basic and diluted earnings per share: Basic and diluted earnings per share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended) and not annualised for six months period ended September 30, 2024 .

3) Return on Net Worth (%) is calculated as Restated profit for the relevant year / period as a percentage of Average Net Worth for the relevant year / period and not annualised for six months period ended September 30, 2024

4) Net Asset Value per share (in ₹): Net Asset Value per equity share is calculated as Net Worth as of the end of relevant year/ period divided by the number of equity shares outstanding at the end of the year / period adjusted for the Impact of Bonus issue after end of the year/period but before the date of filing of this Draft Red Herring Prospectus.

5) Earnings before interest tax depreciation and amortisation (“EBITDA”) : Restated profit for the year/period adjusted to exclude (i) Current tax (ii) Finance costs (iii) Depreciation and amortization expense and (iv) Other Income

6) Net worth is derived as below:

Amount in Millions

Particulars	As at and for the Six months period ended 30th September 2024	As at and for the Financial Year ended 31st March 2024	As at and for the Financial Year ended 31st March 2023	As at and for the Financial Year ended 31st March 2022
Equity Share Capital (A)	42.52	42.52	42.52	35.00
Other Equity (B)	864.91	756.37	522.40	350.76
Networth (C = A+B) *	**907.43**	**798.90**	**564.93**	**385.76**
Average Networth	**853.16**	**681.91**	**475.35**	**290.37**

* “Net worth” means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, Capital Reserve arising on consolidation,write-back of depreciation and amalgamation as on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.

Allchem Lifescience Limited (Formerly known as Allchem Lifescience Private Limited)
CIN - U24299GJ2017PLC095094
Notes to Restated Financial Information
All amounts are in INR Millions unless otherwise stated

Corporate information:
Allchem Lifescience Limited (the 'Company') (Formerly known as Allchem Lifescience Private Limited) having CIN U24299GJ2017PLC095094 is a public unlisted company incorporated in India. The registered office of the Company is located at Block No:-1088/B/P,1088-A, Lamdapura Road, Village Manjusar, Tal-Savli, Vadodara, Gujarat (India) - 391775.

The company is engaged in the business of manufacturing of API Intermediates, Speciality Chemicals and Custom Synthesis.

1 Summary of basis of compliance, basis of preparation & measurement, key accounting estimates & judgements and material accounting policies:

This note provides a list of the material accounting policies adopted in the preparation of these Restated Financial Information.

1.1 Statement of Compliance and Basis of Preparation

The Restated Financial Information of the Company comprises of the Restated Statement of Assets and Liabilities as at 30th September 2024, 31st March 2024, 31st March 2023 and 31st March 2022, the Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for the six months period ended 30th September 2024 and years ended 31st March 2024, 31st March 2023 and 31st March 2022, and the Material Accounting Policies and other explanatory information relating to such financial periods (referred to collectively as 'Restated Financial Information').

These Restated Financial Information have been prepared by the Management of the Company as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") issued by the Securities and Exchange Board of India ('SEBI'), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in the Draft Red Herring Prospectus ('DRHP') in connection with the proposed Initial Public Offering of equity shares of face value of Rs. 10 each of the Company comprising a fresh issue and an offer for sale of equity shares held by the selling shareholders (the "Offer"), prepared by the Company in terms of the requirements of:

(a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");
(b) ICDR Regulations;
(c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"); and

The Restated Financial Information of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III of the Act, as applicable to the financial statements and other relevant provisions of the Act.

The Restated Financial Information of the Company were authorized for issue by the Board of Directors at their meeting held on March 03, 2025.

These Restated Financial Information of the Company have been compiled from:

(a) Audited Special Purpose Interim Ind AS Financial Statements of the Company as at and for the six months period ended 30th September 2024 prepared in accordance with recognition and measurement principles under Ind AS as specified under section 133 of the Act and other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III of the Act which have been approved by the Board of Directors at their meeting held on March 03, 2025.

(b) Audited Special Purpose Ind AS Financial Statements of the Company as at and for the years ended 31st March 2024, 31st March 2023 and 31st March 2022 which were prepared by the Company after taking into consideration the requirements of the ICDR Regulations in accordance with Ind AS prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India and which have been approved by the Board of Directors of the Company at their meeting held on March 03, 2025.

(c) The financial information for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 included in the special purpose Ind AS financial statements are based on the previously issued statutory financial statements prepared for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 in accordance with the Companies (Accounting Standard) Rules, 2006 & audited and reported by us statutory auditor, Talati & Talati LLP, Chartered Accountants having firm registration number 110758W/W100377, has issued an unmodified audit opinion vide audit reports dated July 30, 2024, August 28, 2023 and September 08, 2022 respectively, and which has been translated into figures as per Ind AS after incorporating Ind AS adjustments to align accounting policies, exemptions and disclosures as adopted by the Company.

The financial statement for the period ended 30th September 2024 is the first set of Financial Statements prepared in accordance with the requirements of IND AS 101 - First time adoption of Indian Accounting Standards. Accordingly, the transition date to IND AS is 01 April 2023. Up to the Financial year ended March 31, 2024, the Company prepared its financial statements in accordance with accounting standards notified under the Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP") due to which the Special purpose Ind AS financial statements were prepared for the purpose of Initial Public Offer (IPO).

The Audited Special Purpose Ind AS Financial Statements for the year ended 31st March 2024, 31st March 2023 and 31st March 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following the accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as at the transition date and as per the presentation, accounting policies and grouping/classifications followed as at and for the six months period ended on 30th September 2024. Adjustments made to the previously issued Indian GAAP Financial Statements to comply with Ind AS have been audited by Talati and Talati LLP, Chartered Accountants. The basis of preparation for specific items where exemptions have been applied and reconciliation between Indian GAAP and Ind AS has been disclosed in Note 48 of the Restated Financial Statements.

These Audited Special Purpose Ind AS Financial Statements as at and for the year ended 31st March 2024, 31st March 2023 and 31st March 2022 are not the statutory financial statements under the Companies Act, 2013.

The accounting policies have been consistently applied by the Company in preparation of the Restated Financial Information and are consistent with those adopted in the preparation of Audited Special Purpose Ind AS Financial Statements as at and for the year ended 31st March 2024, 31st March 2023 and 31st March 2022.

These Restated Financial Information have been prepared on a going concern basis.

These Restated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of the board meeting held for the approval of the Financial Statements as at and for the six months period ended 30th September 2024, and for years ended 31st March 2024, 31st March 2023 and 31st March 2022 as mentioned above.

The Restated Financial Information:

(a) Have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the six months period ended 30th September 2024 and financial years ended 31st March 2024, 31st March 2023 and 31st March 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year six months period ended 30th September 2024.
(b) Do not require any adjustment for modification as there is no modification in the underlying audit reports; and
(c) Have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

All amounts included in the Restated Financial Information are presented in Indian Rupees (“INR” or “₹”), which is also the Company’s functional currency and all values are stated as INR or ₹ million rounded of up to two decimals, except when otherwise indicated.

1.2 Basis of preparation and presentation:

Historical cost convention:

The Restated Financial Information of the Company have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

(a) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) and
(b) Defined benefits plan – plan assets are measured at fair value.

Current versus non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle; or
- Held primarily for the purpose of trading; or
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle; or

- It is held primarily for the purpose of trading; or
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

1.3 Key accounting judgments, estimates and assumptions:

The preparation of the Restated Financial Information in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the Restated Financial Information and the reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these Restated Financial Information have been disclosed in the notes below:

A. Judgments:

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the Restated Financial Information.

(a) Leases:

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company applies judgment in evaluating whether it is reasonably certain whether to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

B. Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, are described below. Accounting estimates could change from period to period. Actual results could differ from these estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Restated Financial Information in the period in which changes are made and if material, then effects are disclosed in the notes to the Restated Financial Information.

(a) Taxes:

Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

(b) Defined benefit plans:
The cost of defined benefit plans (i.e. gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The same is disclosed in Note 39, 'Employee Benefit Expense'.

(c) Fair value measurement of financial instruments:
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow (DCF) model, which involve various judgements and assumptions.

(d) Property, plant and equipment:
Property, plant and equipment represents significant portion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of assets expected useful life and expected value at the end of its useful life. The useful life and residual value of Company's assets are determined by management at the time asset is acquired and reviewed periodically including at the end of each reporting period. The useful life is based on historical experience with similar assets, in anticipation of future events, which may have impact on their life such as change in technology or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

Material Accounting Policies:

1.4 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

(a) Expected to be realized or intended to be sold or consumed in the normal operating cycle; or
(b) Held primarily for the purpose of trading; or
(c) Expected to be realized within twelve months after the reporting period; or
(d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

(a) It is expected to be settled in the normal operating cycle; or

(b) It is held primarily for the purpose of trading; or
(c) It is due to be settled within twelve months after the reporting period; or
(d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

1.5 Property, Plant and Equipment

Recognition and Measurement:
An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at its cost. Following the initial recognition, all items of property, plant and equipment are measured at cost, less accumulated depreciation, and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes or levies, directly attributable cost of bringing the item to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Such cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Other Indirect expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalised at cost and depreciated over their useful life.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The Management of respective companies have carried out the technical review for identification of significant components with different useful life with that of useful life of the original assets to which it belongs. However, based on technical analysis, it has been noticed that the useful life of the significant components is more or less remain the same with that of the original assets to which it belongs so no separate useful life are assigned to significant components. All the significant components are depreciated based on the same useful life with that of original assets to which it belongs.

Subsequent Expenditure:
Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and cost of the item can be measured reliably.

Depreciation:
Depreciation on items of property, plant and equipment is provided to the extent of depreciable amount on the Written-Down Value (WDV) Method. Depreciation is provided by the Company based on useful life of the assets as prescribed in Schedule II of the Act.

Freehold land is not depreciated. Useful Life considered for calculation of depreciation for various class of assets are as under:

Sr. No.	Asset class	Useful life (Years)
1	Books	30
2	Computers	3
3	Electrical Installation	10
4	Factory Building	30
5	Furniture and Fittings	10
6	Laboratory Equipments	15
7	Vehicle / Motor Cars	8
8	Office Equipments	5
9	Plant & Machinery	15

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each reporting period. If any of these expectations differs from previous estimates, such change is accounted for as a change in an accounting estimate and adjusted prospectively.

De-recognition:
The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

1.6 Capital Work-in-Progress (CWIP)

Projects under which tangible assets are not yet ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing costs. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as other non-current assets and not included as a part of capital work-in-progress.

Costs incurred during the period of implementation of a project, till it is commissioned, is accounted as capital work-in-progress and after commissioning the same is transferred/allocated to the respective item of property, plant and equipment.

1.7 Investment Property

Recognition and Measurement
Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Policies with respect to depreciation, useful life and derecognition are followed on the same basis as stated for property, plant and equipment above.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer.

Transfer of property from investment property to the property, plant and equipment is made when the property is no longer held for long term rental yields or for capital appreciation or both at carrying amount of the property transferred.

1.8 Intangible Assets

Recognition and Measurement

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent Expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of profit and loss in the period in which expenditure is incurred.

Amortisation

Intangible assets with finite lives are amortised over the estimated useful economic life using the Written-Down Value (WDV) Method. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss. The estimated useful life of intangible assets as determined by the Company is mentioned as below:

Sr. No.	Asset Class	Useful Life (Years)
1	Computer Software	6

1.9 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment.

The Company uses judgment in assessing whether a contract (or part of contract) include a lease, the lease term (including anticipated renewals), the applicable discount rate, variable lease payments whether are in-substance fixed. The judgment involves assessment of whether the asset included in the contract is a fully or partly identified asset based on the facts and circumstances, whether the contract include a lease and non-lease component and if so, separation thereof for the purpose of recognition and measurement, determination of lease term basis, inter alia the non-cancellable period of lease and whether the lessee intends to opt for continuing with the use of the asset upon the expiry thereof, and whether the lease payments are fixed are variable or a combination of both.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered prior to transition date, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Right of Use Assets
The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the unexpired period of lease.

Lease Liabilities
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, or a change in the lease payment

Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Further the above lease also qualifies for low-value assets recognition exemption as they are of low-value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

1.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The Company determines the classification of its financial assets and liabilities at initial recognition. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

A. Financial Assets

Initial Recognition and Measurement
All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at Fair Value Through Profit or Loss (FVTPL), are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

Subsequent Measurement

(a) Financial Assets measured at Amortised Cost (AC)
A Financial asset is subsequently measured at amortised cost if it meets the following criteria:

i. the asset is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and

ii. the contractual terms of the financial asset give rise on a specified date to cash flows that are solely payments of principal and interest on the principal outstanding.

(b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it meets the following criteria:

i. the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and

ii. the contractual terms of the financial asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

On de-recognition of such financial assets, cumulative gain or loss previously recognised in other comprehensive income is not reclassified from the equity to statement of profit and loss.

(c) Financial Assets measured at Fair Value through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

(d) Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in statement of profit and loss, except for those equity investments for which the Company has elected to present the value changes in other comprehensive income. However, dividend on such equity investments is recognised in statement of profit and loss when the Company’s right to receive payment is established.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses ‘Expected Credit Loss’ (ECL) model, for evaluating impairment of financial assets other than those measured at Fair Value Through Profit and Loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables the Company applies ‘simplified approach’ which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk, full lifetime ECL is used.

B. Financial Liabilities

Initial Recognition and Measurement
All financial liabilities are recognised at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the statement of profit and loss as finance cost.

Subsequent Measurement
Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

C. De-recognition of Financial Instruments
The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a borrowing for the proceeds received.

A financial liability (or a part of a financial liability) is derecognised from the balance sheet when the obligation specified in the contract is discharged or cancelled or expired.

D. Offsetting
Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

1.11 Fair Value Measurement

The Company measures financial instruments, such as, investments, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability,
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, which gives highest priority to quoted prices in active markets and the lowest priority to unobservable inputs.

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 — Valuation techniques for inputs other than quoted prices included within Level 1 that are observable for the asset or Liability either directly or indirectly.
Level 3 — Valuation techniques for inputs that are unobservable for the asset or liability.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.12 Impairment of Non-Financial Assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss except for properties previously revalued with the revaluation surplus taken to other comprehensive income. For such properties, the impairment is recognised in other comprehensive income up to the amount of any previous revaluation surplus. An impairment loss in respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.13 Foreign Currencies Transactions and Translation

Functional and Presentation Currency:
Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company's Restated Financial Information are presented in Indian Rupee (INR) which is also the Company's functional and presentation currency.

Transactions and Balances:
On initial recognition, transactions in foreign currencies entered by the Company are recorded in the functional currencies, by applying to the foreign currency rate, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the statement of profit and loss.

Foreign currency monetary items (Monetary assets and liabilities) outstanding of the Company as at the reporting date are translated using the exchange rates prevailing at such reporting dates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognised. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

Exchange Differences:
Exchange differences arising out of these translations are recognised in the statement of profit and loss in the period in which they arise with exception of exchange differences arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income or statement of profit and loss are also recognised in other comprehensive income or statement of profit and loss, respectively).

1.14 Cash and Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

1.15 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is:
(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or;

(b) a present obligation that arises from past events but is not recognised because;
   i. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
   ii. the amount of the obligation cannot be measured with sufficient reliability.

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

A contingent asset is a possible asset that arises from the past events and whose existence will be confirmed only by the occurrence or non- occurrence of one or more of uncertain future events not wholly within the control of the entity. Contingent assets are disclosed in the Restated Financial Information by way of notes to accounts when an inflow of economic benefits is probable.

1.16 Revenue Recognition (Revenue from Contracts with Customers)

The Company derives revenue primarily from sale of manufactured products being "Chemicals". Revenue from contracts with customers is recognised when the control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

(a) Sale of Goods:
Revenue from sale of goods is recognised at the point of time when control of the goods is transferred to the customer, generally on dispatch/delivery of the goods except in case of export Sales, which are recognised on the basis of bill of lading on satisfaction of performance obligation and transfer of control.

Sale of goods is recognised net of sales returns and trade discounts. Sales excludes amounts of indirect taxes on sales.

(b) Dividend and Interest Income:
Dividend income from investments is recognised when the Company's right to receive the payment has been established, which is generally when shareholders approve the dividend.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable.

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in other income in the statement of profit and loss.

(c) Rental Income:
Rental income from investment property is recognised in the statement of profit and loss over the term of the lease.

(d) Insurance Claims:
Claims receivable on account of insurance are accounted for to the extent no significant uncertainty exists for the measurement and realisation of the amount.

Insurance Claims, other than claim filed against fire accident, have been booked on receipt basis.

(e) Miscellaneous Income:
All other income is recognized on an accrual basis, when there is no uncertainty in its ultimate realization/collection.

1.17 Government grants, subsidies and export incentives:
Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.
Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.
Government grants/subsidies relating to the purchase of property, plant and equipment are deducted from the Carrying amount of the Assets. The grant is recognised in the Statement of Profit and Loss over the useful life of the depreciable assets.

1.18 Inventories

Inventories have been valued on the following basis:

Nature of Inventories	**Basis of Inventories Valuation**
Raw Material Stock	Inventories of Raw Materials are valued at the lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Weighted Average basis. Cost of raw material excludes all taxes and duties.
Semi-Finished (WIP) Goods Stock	Semi-Finished (WIP) Goods Stocks are valued at cost plus appropriate overheads directly attributable to manufacturing activity.
Finished Goods Stock	Inventories of Finished Goods are valued at the lower of cost and net realisable value. Cost represents material, labour and manufacturing expenses and other incidental costs to bring the inventory in present location and condition.
Packing Material Stock	Packing Material stocks are valued at cost.
Stores & Spares Stock	Stores & Spares stocks are valued at cost.
Stock in Transit	Stock in transit stocks is valued at material cost.

As management is of the view that the goods are mainly intended to be exported and hence GST has not been added in valuation of finished goods.

Further imported goods received and laying at port as at balance sheet date and the same is received in factory during the subsequent month has been included in Inventories as goods in transit as at balance sheet date.

The comparison of cost and net realisable value is made on an item-by item basis. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make the sale.

1.19 Employee Benefits Expense

Short-Term Employee Benefits
All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognised in the period in which the employee renders the related services. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans
The Company's contribution paid/payable during the period to Provident Fund, Pension Scheme and Employee State Insurance Scheme are considered as defined contribution plans.

Recognition and Measurements of Defined Contribution Plan
The contribution paid/payable under those plans are recognised as an expense, in the statement of profit and loss during the period in which the employee renders the services.

If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

Defined Benefit Plans
The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation superannuation. The gratuity is paid @15 days' basic salary for every completed year of service as per the Payment of Gratuity Act, 1972.

Recognition and Measurements of Defined Benefit Plan
The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Actuarial gains and losses are recognised immediately in the statement of profit and loss and other comprehensive income in the period which they occur.

1.20 Tax Expenses

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income, in which case, the tax is also recognised in other comprehensive income.

(a) Current Tax
Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Indian Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the balance sheet date.

(b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Restated Financial Information and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilised.

(c) Minimum Alternate Tax (MAT):

Minimum Alternate Tax (MAT) credit are recognised if there is convincing evidence that the Company will pay normal tax after the tax holiday period and the resultant asset can be measured reliably. The excess tax paid under MAT provisions, being over and above regular tax liability, can be carried forward for a period of the years from the year of recognition and is available for set off against future tax liabilities computed under regular tax provisions, to the extent MAT liability.

(d) Presentation of Current and Deferred Tax:

Current and deferred tax are recognised as income or an expense in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income, in which case, the current and deferred tax income/expense are recognised in other comprehensive income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

1.21 Borrowing Costs

Borrowing costs includes interest & exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset which necessarily take a substantial period of time to get ready for their intended use or sale are capitalized as part of the cost of that asset. All other borrowing costs are recognised as an expensed in the period in which they occur.

1.22 Earnings per share

Basic earnings per share is computed by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving the basic earnings per share and the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

1.23 Segment Reporting

The Company identifies operating segments based on the dominant source, nature of risks and return and the internal organisation and management structure and for which discrete financial information is available. The CODM monitors the operating results of the segments for the purpose of making decisions about resource allocation and performance assessment.

The operating segment has been identified and reported taking into account its internal financial reporting, performance evaluation and organizational structure of its operations. Operating segment is reported in the manner evaluated by board, considered as chief operating decision maker under Ind AS 108 “Operating Segments”.

The Company has only one segment of activity, namely “Manufacturing of Chemicals”, in accordance with the definition of “Segment” covered under Indian Accounting Standards (Ind AS) 108 on operating segments.

1.24 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.25 Event Occurring after the reporting period:

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

OTHER FINANCIAL INFORMATION

Accounting ratios derived from the Restated Financial Statements

The accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below. The table below should be read in conjunction with the sections titled '*Risk Factors*', '*Financial Information*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*', on pages 27, 261 and 360, respectively:

(*amounts in ₹ million*)

Particulars	6 months ended September 30, 2024	As at and for the financial year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Earnings per share (basic)(1)(3) (in ₹)	1.42	3.06	2.36	2.24
Earnings per share (diluted)(2)(3) (in ₹)	1.42	3.06	2.36	2.24
Return on net worth(4) (in %)	12.77	34.33	37.84	48.69
Net asset value per Equity Share (in ₹)(5)	11.86	10.44	7.38	6.12
EBITDA(6) (in ₹ million)	321.57	522.90	304.42	249.18

Notes:

1. *Basic Earnings per share (₹) = Net profit/ (loss) after tax, as restated attributable to equity shareholders divided by weighted average number of Equity Shares outstanding during the year.*
2. *Diluted Earnings per share (₹) = Net profit / (loss) after tax, as restated attributable to equity shareholders divided by weighted average number of diluted Equity Shares outstanding during the year.*
3. *EPS has been calculated in accordance with the Indian Accounting Standard 33 – 'Earning per share' notified under the Companies (Indian Accounting Standards) Rules, 2015.*
4. *Return on Net Worth (%) = Restated profit for the relevant year / period as a percentage of Average Net Worth for the relevant year / period and not annualised for six months period ended September 30, 2024.*
5. *Net Asset Value = Net worth (sum of equity share capital, other equity and non-controlling interest) divided by the closing outstanding number of equity shares at the end of the year (adjusted for allotment of Equity Shares through bonus shares issue on February 28, 2025).*
6. *EBITDA: Restated profit for the year/period adjusted to exclude (i) Tax expense (ii) Finance costs (iii) Depreciation and amortization expense and (iv) Other Income*

In accordance with the SEBI ICDR Regulations, the audited financial statements of our Company as at and for Fiscal 2024, Fiscal 2023 and Fiscal 2022 (collectively, the "Audited Financial Statements") are available on our website at https://allchemlifescience.com/ipo-offer-documents.php.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements and reports thereon do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Financial Statements and reports thereon should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, nor the BRLM, nor the Promoter Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Standalone Financial Statements, or the opinions expressed therein.

Reconciliation of non-GAAP measures

Reconciliation for the following non-GAAP financial measures included in this section, is set out below:

Reconciliation of Restated Profit for the period/ year to EBITDA and EBITDA Margin

The table below reconciles profit for the period to EBITDA. EBITDA is calculated as profit for the period minus other income plus finance costs, depreciation and amortization expense and total tax expense, while EBITDA Margin is calculated as EBITDA divided by revenue from operations.

(₹ million, unless otherwise stated)

Particulars	6 months ended September 30, 2024	As at/ for the financial year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Profit for the period (I)	108.91	234.09	179.89	141.39
Other income (II)	0.83	6.45	3.07	13.16
Finance costs (III)	48.25	63.8	18.6	34.45
Depreciation and amortisation expense (IV)	113.94	142.55	23.65	23.44
Total tax expense (V)	51.29	88.91	85.35	63.05
EBITDA (VI = I-II+III+IV+V)	321.57	522.9	304.42	249.18
Revenue from operations (VII)	784.48	1374.21	1057.19	1081.01
EBITDA Margin (%) (VIII) = (VI/VII)	40.99%	38.05%	28.80%	23.05%

Reconciliation of total equity to net asset value per equity share

The table below reconciles total equity to net asset value per equity share. Net asset value per equity share is calculated as total equity divided by weighted average number of equity shares.

Particulars	6 months ended September 30, 2024	As at and for the financial year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Total equity (I) (₹ million)	907.43	798.9	546.93	385.76
Adjusted outstanding number of equity shares (II)*	76.54	76.54	76.54	63.00
Net Asset Value per equity share (III) = (I/II) (₹ per share)	11.86	10.44	7.38	6.12

* *The outstanding shares of our Company have been adjusted for allotment of Equity Shared by way of bonus issue in the ratio of 17 Equity Shares of face value of ₹ 10 each for each Equity Share, pursuant to a resolution Board on February 28, 2025.*

Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 'Related Party Disclosures' for 6 month period ended September 30, 2024 and for Fiscal 2024, Fiscal 2023 and Fiscal 2022, read with the SEBI ICDR Regulations, and as reported in the Restated Financial Statements, see '*Restated Financial Statements –Note 42 - Related party Disclosure*' on page 314.

FINANCIAL INDEBTEDNESS

Our Company avails loans in the ordinary course of its business for the purposes of working capital and other business requirements. For details of the borrowing powers of our Board, see '*Our Management – Borrowing Powers of Board*' on page 236.

Our Company has obtained the necessary consents required under the loan agreements entered into in connection with and for undertaking activities in relation to the Offer, including effecting a change in our capital structure, change in our shareholding pattern, change in our constitutional documents including amending the Memorandum of Association and Articles of Association of our Company, change in the management or board composition, as applicable.

The following table sets forth the details of our aggregate borrowings as on February 28, 2025

(in ₹ million, unless stated otherwise)

Category of Borrowing	Sanctioned Amount	Amount outstanding as on February 28, 2025
Secured		
Fund Based Borrowings		
Working Capital	405.00	389.48
Term loans	1,176.00	927.93
Vehicle Loans from Banks	3.90	1.89
Total fund based borrowings (A)	**1,584.90**	**1,319.37**
Non Fund Based Borrowings		
Bank Guarantee and Letter of Credit	-	-
Total Non Fund Based Borrowings (B)	-	-
Unsecured Borrowings		
Unsecured Loans from Related Parties	-	-
Total Unsecured Borrowings (C)	**-**	**-**
Total Borrowings (A + B + C)	**1,584.90**	**1,319.37**

As certified by M/s Talati & Talati LLP, Statutory Auditors, pursuant to a certificate dated March 13, 2025.

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Principal terms of the financial arrangements entered into by our Company are disclosed below:

1. **Interest Rate & Payment:** The applicable rate of interest for the working capital facilities availed typically have floating rates of interest linked to a base rate, as specified by respective lenders with a spread and are subject to mutual discussions between the relevant lenders and our Company. The rate of interest for the term loans availed by our Company ranges from between 8.00 % and 10.00% per annum. The borrower shall pay interest to bank on facilities advanced and outstanding from time to time at mutually agreed such rates of interest as may be agreed upon.

2. **Tenor:** The tenor of the working capital facilities availed by the company typically ranges from a period of 90 days to 180 days, whereas the term loan facilities availed by our Company typically has a tenor of 23 months to 96 months. In certain cases, the tenure of the term loan facilities also includes moratorium period of 1 to 2 years.

3. **Security:** In terms of the secured borrowings, we are required to, inter alia:

   (a) furnish personal guarantees by the Promoters;

   (b) create charge on immovable fixed assets;

   (c) create charge on all current assets (present and future) and movable fixed assets of the Company;

   There may be additional requirements for creation of security under the various borrowing arrangements entered into by our Company.

4. **Re-payment:** The working capital facilities availed by our Company are typically repayable on demand or on their respective due dates within the maximum tenure. The term loan facilities are repayable in quarterly instalments as per the repayment schedule stipulated in the relevant loan documentation

5. **Penal charges & Prepayment charges:** Up to 2% per annum on the outstanding amount of the loan at the time of overdue / default / delay in repayment. Up to 2% per annum on the prepaid amount in case of loan prepayment.

6. **Insurance:** All the assets of the borrower proposed to be given as security to the Bank to be covered under comprehensive insurance for full value. In the event of insurance policies not being renewed on rime, the bank reserves the right to have the policy renewed within 30 days. Any and all of the cost and expenses associated with such renewal will need to be made good by the borrower and the bank reserves the right to recover the same from the borrower forthwith.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at 6 month period ended September 30, 2024 based on our Restated Financial Information, and as adjusted for the proposed Offer. This table should be read in conjunction with sections titled '*Risk Factors*', '*Management's Discussion and Analysis of Financial Condition and Results of Operations*', '*Restated Financial Statements*' on pages 27, 360 and 261, respectively.

(in ₹ million, except ratios)

Particulars		**Pre-Offer as at September 30, 2024** (1)	**Post-Offer**(2)
Borrowings:			
Current borrowings (3)		227.77	[●]
Non-current borrowings (including current maturity) (4)		841.19	[●]
Total borrowings (5)	**(A)**	**1,068.96**	[●]
Shareholders' funds:			
Equity Share capital (6)		42.52	[●]
Other equity		864.91	[●]
Total Equity	**(B)**	**907.43**	[●]
Ratio: Non-Current Borrowings / Total equity	**(A)/(C)**	**0.93**	**[●]**
Ratio: Total Borrowings / Total equity	**(A)/(B)**	**1.18**	**[●]**

Notes:

1. *The above table has been computed on the basis of the Restated Financial Statements.*
2. *The corresponding post-Offer data is not determinable at this stage pending the completion of the Book Building Process. Accordingly, this data has not been provided in the above table.*
3. *Current borrowing is considered as borrowing due within 12 months from the balance sheet date.*
4. *Non-current borrowing is considered as borrowing other than current borrowing, as defined above and also includes the current maturities of long-term borrowing.*
5. *Total borrowing excludes interest accrued and due on borrowings.*
6. *The Company has pursuant to the Board resolution dated February 28, 2025, allotted 76,540,230 bonus Equity Shares of face value of ₹ 10 each (Bonus Shares) in the ratio of 17 Equity Shares of face value of ₹ 10 each for every 1 Equity Share of face value of ₹ 10 each held by the Shareholders as on record date, i.e., December 20, 2024.*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey our management's perspective on our financial condition and results of our operations. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year or a Fiscal are to the twelve months ended March 31 of that year.

You should read the following discussion in conjunction with the Restated Financial Statements for the 6 months ended September 30, 2024, and the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 including the related notes, schedules, and annexures.

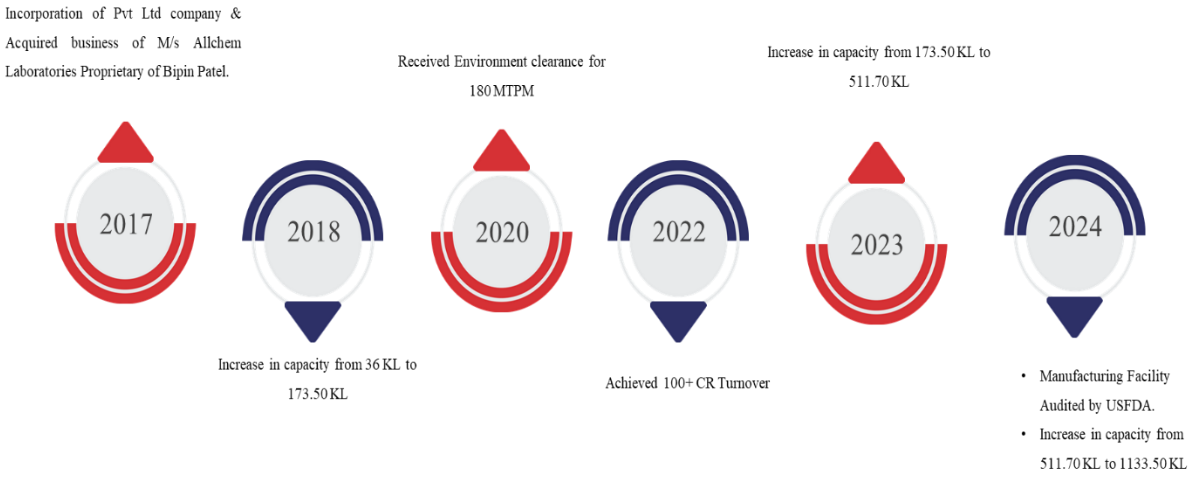
The Restated Financial Statements included in this Draft Red Herring Prospectus are prepared and presented in accordance with requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on 'Reports in Company Prospectuses (Revised 2019)' issued by the ICAI, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries, and our assessment of the factors that may affect our prospects and performance in future periods. This discussion may include certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors or contingencies, including those described below and elsewhere in, this Draft Red Herring Prospectus. For further information, see 'Forward-Looking Statements' on page 25. Ind AS differs in certain respects from Indian GAAP, IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. Also see 'Risk Factors' and 'Restated Financial Statements' on pages 27 and 261, respectively, for a discussion of certain factors or contingencies that may affect our business, financial condition or results of operations.

*Unless otherwise indicated, industry and market data used in this section has been derived from the 'Research Report on API Intermediates Industry' dated March 10, 2025 by CARE (**CARE Report**) which has been commissioned and paid for by our Company in connection with the Offer. A copy of the CARE Report is available at https://allchemlifescience.com/ipo-offer-documents.php. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year, refers to such information for the relevant calendar year. CARE was appointed by our Company and is not connected to our Company, our Directors, our Promoters, our Key Managerial Personnel, Senior Management or BRLM. The data included herein includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular calendar year/ Fiscal refers to such information for the relevant calendar year/ Fiscal. For further information, see 'Risk Factor - This Draft Red Herring Prospectus contains information from an industry report prepared by CARE which our Company has commissioned and paid for.'a on page 54. Also see 'Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation' on page 22.*

OVERVIEW

Our Company is an Indian manufacturer of active pharmaceutical ingredients (**API**) intermediates and speciality chemicals. We specialise in the production of key starting materials (KSMs), generic API intermediates and specialty chemicals.

According to the CARE Report, with a reaction volume of 1,134 KL as of December 2024 and a hydrogenation capacity of 60 KL, making it one of the largest in India, we are a key player in manufacturing derivatives of piperazine. According to the CARE Report, piperazine derivatives are critical raw materials for producing APIs like Quetiapine. In addition to a strong domestic customer base, we have also developed a significant export market.. One of our Promoters, Bipin Patel, began his business journey in 2003 under a proprietorship firm by the name of Allchem Laboratories (**Proprietorship**). In 2017, our Company acquired the existing business of the sole proprietorship of Bipin Patel viz., M/s Allchem Laboratories. Over the last 7 years, our Company has achieved certain important milestones, as depicted below:



Note: The above milestones are represented as per Calendar Year.

Our Company's primary business verticals can be classified as follows:

- ***Manufacturing API intermediates*** – According to the CARE Report, API intermediates are critical chemical compounds utilized in the production of active pharmaceutical ingredients (APIs) or finished drugs. Further, these intermediates act as transitional building blocks, essential for the synthesis process, undergoing chemical transformations that ultimately result in the final API or drug formulation.
- ***Specialty or fine chemicals*** – According to the CARE Report, specialty chemicals, also known as performance chemicals, are specifically formulated substances designed for functions and applications. Unlike commodity chemicals, which are mass-produced, specialty chemicals are manufactured in smaller quantities, with a strong emphasis on quality, performance, and customization to meet the unique demands of various industries. Further, in the pharmaceutical industry, specialty chemicals, such as catalysts, play a vital role in commercial processes like the synthesis of paracetamol, vitamin K, and erythromycin.

Set out below is a break-up of our revenue from our primary business verticals for the 6 month period ended September 30, 2024 and Fiscal 2024, Fiscal 2023 and Fiscal 2022.

Particulars	**6 month period September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue (*in ₹ million*)	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**
API intermediates	684.83	87.63	1,110.51	81.29	828.05	78.87	821.62	76.72
Specialty chemicals	94.86	12.14	246.56	18.05	177.40	16.90	125.93	11.76
Total	**779.69**	**99.77**	**1357.07**	**99.34**	**1005.45**	**95.77**	**947.55**	**88.48**

Over the years we have developed the ability to manufacture 263 products which demonstrates our strong focus on different chemistries in organic chemical compounds. As on December 31, 2024, we had a product development team of 8 employees, and Bipin Kantilal Patel, our Managing Director, supervises our product development division. Our Company's focus has been to identify potential demand for products, in particular, products that are difficult to source in India or which being import substitutes are not easily available, develop such products and scale up production once the demand is in place. According to the CARE Report, among our identified peers, we have consistently had one of the highest return on equity (**RoE**).

The table below sets out our key API intermediates and Specialty Chemicals from our existing portfolio of products as on December 31, 2024.

Sr. No.	Product	End Use
API Intermediates		
21.	1-[2-(2-Hydroxyethoxy)ethyl]Piperazine	Quetiapine / Etodroxizine / Dixyrazine / Hydroxyzine
22.	Dibenzo[b,f][1,4]thiazepin 11 (10 H)-one	Quetiapine / Etodroxizine / Dixyrazine / Hydroxyzine
23.	2-Amino-4-phenylbutane	Labetalol / Buphenine
24.	2-(1-Piperazinyl)pyrimidine	Buspirone / Binospirone / Itriglumide / Piribedil /Tandospirone
25.	3,3-Tetramethyleneglutarimide	Buspirone / Binospirone / Itriglumide / Piribedil /Tandospirone
26.	N,N-Diethyl ethylenediamine	Metoclopramide/Sunitinib/Tiapride
27.	1-Benzyl-4-piperidinecarboxaldehyde	Donepezil
28.	3-(1-Piperazinyl)-1,2-Benzisothiazole	Lurasidone / Ziprasidone / Tiospirone / Perospirone / Tandospirone
29.	(3ar,4S,7R,7as)-Rel-Hexahydro-4,7-Methano-1H-Isoindole-1,3(2H)-Dione	Lurasidone / Ziprasidone / Tiospirone / Perospirone / Tandospirone
30.	cis-5-Norbornene-exo-2,3-dicarboxylic anhydride	Lurasidone / Ziprasidone / Tiospirone / Perospirone / Tandospirone
Specialty Chemicals		
31.	N,N-Dimethylethylenedimaine	API Intermediates/Photochemicals/Agro Chemicals/Other Intermediates
32.	N-Benzyl aniline	API Intermediates/Veterinary Drugs/Agro Chemicals/Other Intermediates
33.	1-Methyl-4-piperidone	API Intermediates/ Other Intermediates
34.	4-Methoxybenzylamine	API Intermediates/ Other Intermediate
35.	1-Hydroxyethyl piperazine	API Intermediates/Plastics/ Cosmetics Additives/ Other Intermediates
36.	2-Chlorobenzimidazole	API Intermediates/ Other Intermediates
37.	N,N'-Dimethylethylenediamine	API Intermediates/ Other Intermediates
38.	N-BOC-4-piperidone	API Intermediates/ Other Intermediates
39.	Ethyl cyclopentanecarboxylate	API Intermediates/ Other Intermediates
40.	N,N-Diethylethylenediamine	API Intermediates/ Other Intermediates

We cater to prominent domestic and international customers, such as Alembic Pharmaceuticals Limited, Bond Chemical Limited, Chemosyntha BV, Cohance Life Sciences Limited, Egene Co Limited, Hattori Corporation, Huaian Jiamu Biotechnology Co. Limited, Indoco Remedies Limited, Megafine Pharma (P) Limited, Micro Labs Limited, Moehs Iberica, S.L., MSN Laboratories Private Limited, Nagase India Private Limited, Neogen Chemicals Limited, Neuland Laboratories Limited, Olon Active Pharmaceutical Ingredients India Private Limited, Unichem Laboratories Limited, Vasudha Pharma Chem Limited and Vivatis Pharma GmbH. Set out in the table below are the number of customers we catered in during the 6 month period ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022.

Particulars	For the 6 month period September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
No. of customers in India	114	148	112	116
No. of export customers	45	66	76	64
Total	**159**	**214**	**188**	**180**

Our business caters to both domestic and international customers, and the table below sets out the break-up of our revenues from our domestic and international sales during the 6 month period ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, based on our Restated Financial Statements.

Particulars	**For the 6 month period September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue (*in ₹ million*)	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**
India	617.34	78.69	820.81	59.73	627.15	59.32	550.44	50.92
Export	164.17	20.93	545.35	39.68	422.79	39.99	520.45	48.14
Total*	**781.51**	**99.62**	**1,366.16**	**99.41**	**1,049.95**	**99.31**	**1,070.88**	**99.06**

** does not include other operating income forming part of the Revenue from Operations.*

Our manufacturing operations are based out of our facility in Village: Manjusar, Vadodara, Gujarat (**Manufacturing Facility**). As on December 31, 2024, our Manufacturing Facility had a total equipment capacity of 1,133.50 KL.

Our business and operations are led by a qualified and experienced management team and our Board who come from diverse backgrounds with prior industry experience in various fields. We benefit from the industry experience, vision and guidance of Promoters.

PRINCIPAL FACTORS AFFECTING OUR FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our results of operations have been, and will be, affected by many factors, some of which are beyond our control. The following is a discussion of certain factors that have had, and will continue to have, a significant effect on our financial condition and results of operations:

Ability to retain our existing customers

We derive a significant portion of our revenue from operations from select clients. The table below sets out the contribution of our top 3, 5 and 10 customers to our revenue from operations in the 6 months ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022.

Particulars	**For the 6 months ended September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue (*in ₹ million*)	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**	**Revenue (*in ₹ million*)**	**As a % of revenue from operations**
Top 3 customers	266.94	34.03	373.46	27.18	285.68	27.02	348.34	32.22
Top 5 customers	336.47	42.89	518.42	37.73	373.27	35.31	479.29	44.34
Top 10 customers*	465.72	59.37	743.36	54.09	531.85	50.31	674.95	62.44

Our top 3, top 5 and top 10 customers during the 6 months ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022 have been with the Company for the durations set out below:

Particulars	**Customers**	**Minimum Period (in years)***	**Maximum Period (in years)***
6 months ended September 30, 2024	Top 3 Customers	9	13
	Top 5 Customers	3	13
	Top 10 Customers	3	14
Fiscal 2024	Top 3 Customers	8	11
	Top 5 Customers	4	13
	Top 10 Customers	4	15

Particulars	Customers	Minimum Period (in years)*	Maximum Period (in years)*
Fiscal 2023	Top 3 Customers	9	13
	Top 5 Customers	9	15
	Top 10 Customers	3	15
Fiscal 2022	Top 3 Customers	8	12
	Top 5 Customers	8	15
	Top 10 Customers	4	15

**Includes association with Allchem Laboratories, a proprietorship firm, wherein one of our promoters, Bipin Patel, was the sole proprietor, and whose business was acquired by our Company in 2017.*

Our growth is closely to us retaining these customers.

Cost of raw materials

The primary raw materials used in the manufacture of our API intermediates and our specialty or fine chemicals are Piperazine Anhydrous, Benzyl acetone, 2-(2-Chloroethoxy) ethanol, 2-Chloroethylamine hydrochloride, 70% aqu. Soln, 4-Chlorobutyryl Chloride, Phosphorus oxychloride, Bis(2-Chloroethylamine) hydrochloric acid, 2-Diisopropylaminoethyl chloride Hydrochloride, (3,4-Dimethoxy phenyl) Acetonitrile, 1-Bromo-3-Chloropropane, 2,3-Dichloroaniline and 2,5-Dichloronitrobenzene. During the 6 months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 our cost of goods sold (which comprises cost of materials consumed and change in inventories of finished goods, stock-in-trade and work-in progress) was ₹ 330.03 million, ₹ 664.23 million, ₹ 575.22 million and ₹ 635.72 million constituting 42.07%, 48.34%, 54.41% and 58.81% of our revenue from operations, respectively. We do not enter into any long-term contracts or arrangements with our vendors for procuring raw materials and instead rely on purchase orders. As a result, raw material supply and pricing can be volatile due to a number of factors beyond our control, including demand and supply, general economic and political conditions, and transportation and labour costs. Further, we procure a large portion of our raw materials from a few key vendors and any disruption of supply of raw materials from such vendors is a significant factor that can affect our results of operations. During the 6 months ended September 30, 2024 and in Fiscals 2024, 2023 and 2022 we sourced our raw materials from 113, 139, 138 and 151 vendors, respectively. Set out below is our cost of raw materials consumed from our top 3 vendors, top 5 vendors and top 10 vendors in the 6 month period ended September 30, 2024 and in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

(in ₹ million)

Particulars	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (in ₹ million)	As a % of cost of materials consumed	Amount (in ₹ million)	As a % of cost of materials consumed	Amount (in ₹ million)	As a % of cost of materials consumed	Amount (in ₹ million)	As a % of cost of materials consumed
Top 3 vendors	96.51	21.08	180.91	24.36	146.08	23.05	119.15	17.42
Top 5 vendors	145.25	31.73	255.27	34.37	202.19	31.90	181.88	26.59
Top 10 vendors	228.53	49.93	373.84	50.33	313.61	49.48	287.35	42.00

Increase in raw material prices may result in corresponding increases in our product costs. Therefore, raw material cost is a critical component of our business and results of operations.

Developing new chemistries leading to diverse products

We have a strong focus on product development which has led us to develop a total product base of 263 products of varying chemistries as of December 31, 2024. Further, during 6 months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022 we have commercialised 9, 7, 9, and 10 new products. The diversity of our product bouquet enables us to address a wide range of industrial applications, and our growth is linked to continually developing new chemistries leading to product development.

MATERIAL ACCOUNTING POLICIES

1 Summary of basis of compliance, basis of preparation & measurement, key accounting estimates & judgements and material accounting policies:

This note provides a list of the material accounting policies adopted in the preparation of these Restated Financial Information.

1.1 Statement of Compliance and Basis of Preparation

The Restated Financial Information of the Company comprises of the Restated Statement of Assets and Liabilities as at 30th September 2024, 31st March 2024, 31st March 2023 and 31st March 2022, the Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for the six months period ended 30th September 2024 and years ended 31st March 2024, 31st March 2023 and 31st March 2022, and the Material Accounting Policies and other explanatory information relating to such financial periods (referred to collectively as 'Restated Financial Information').

These Restated Financial Information have been prepared by the Management of the Company as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") issued by the Securities and Exchange Board of India ('SEBI'), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in the Draft Red Herring Prospectus ('DRHP') in connection with the proposed Initial Public Offering of equity shares of face value of Rs. 10 each of the Company comprising a fresh issue and an offer for sale of equity shares held by the selling shareholders (the "Offer"), prepared by the Company in terms of the requirements of:

(a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");
(b) ICDR Regulations;

(c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"); and

The Restated Financial Information of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III of the Act, as applicable to the financial statements and other relevant provisions of the Act.

The Restated Financial Information of the Company were authorized for issue by the Board of Directors at their meeting held on March 3, 2025.

These Restated Financial Information of the Company have been compiled from:

(a) Audited Special Purpose Interim Ind AS Financial Statements of the Company as at and for the six months period ended 30th September 2024 prepared in accordance with recognition and measurement principles under Ind AS as specified under section 133 of the Act and other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III of the Act which have been approved by the Board of Directors at their meeting held on March 3, 2025

(b) Audited Special Purpose Ind AS Financial Statements of the Company as at and for the years ended 31st March 2024, 31st March 2023 and 31st March 2022 which were prepared by the Company after taking into consideration the requirements of the ICDR Regulations in accordance with Ind AS prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India and which have been approved by the Board of Directors of the Company at their meeting held on March 3, 2025.

(c) The financial information for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 included in the special purpose Ind AS financial statements are based on the previously issued statutory financial statements prepared for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 in accordance with the Companies (Accounting Standard) Rules, 2006 & audited and reported by us statutory auditor, Talati & Talati LLP, Chartered Accountants having firm registration number 110758W/W100377, has issued an unmodified audit opinion vide audit reports dated July 30, 2024, August 28, 2023 and September 08, 2022 respectively, and which has been translated into figures as per Ind AS after incorporating Ind AS adjustments to align accounting policies, exemptions and disclosures as adopted by the Company.

The financial statement for the period ended 30th September 2024 is the first set of Financial Statements prepared in accordance with the requirements of IND AS 101 - First time adoption of Indian Accounting Standards. Accordingly, the transition date to IND AS is 01 April 2023. Up to the Financial year ended March 31, 2024, the Company prepared its financial statements in accordance with accounting standards notified under the Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP") due to which the Special purpose Ind AS financial statements were prepared for the purpose of Initial Public Offer (IPO).

The Audited Special Purpose Ind AS Financial Statements for the year ended 31st March 2024, 31st March 2023 and 31st March 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following the accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as at the transition date and as per the presentation, accounting policies and grouping/classifications followed as at and for the six months period ended on 30th September 2024. Adjustments made to the previously issued Indian GAAP Financial Statements to comply with Ind AS have been audited by Talati and Talati LLP, Chartered Accountants. The basis of preparation for specific items where exemptions have been applied and reconciliation between Indian GAAP and Ind AS has been disclosed in Note 48 of the Restated Financial Statements.

These Audited Special Purpose Ind AS Financial Statements as at and for the year ended 31st March 2024, 31st March 2023 and 31st March 2022 are not the statutory financial statements under the Companies Act, 2013.
The accounting policies have been consistently applied by the Company in preparation of the Restated Financial Information and are consistent with those adopted in the preparation of Audited Special Purpose Ind AS Financial Statements as at and for the year ended 31st March 2024, 31st March 2023 and 31st March 2022.

These Restated Financial Information have been prepared on a going concern basis.

These Restated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of the board meeting held for the approval of the Financial Statements as at and for the six months period ended 30th September 2024, and for years ended 31st March 2024, 31st March 2023 and 31st March 2022 as mentioned above.

The Restated Financial Information:

(a) Have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the six months period ended 30th September 2024 and financial years ended 31st March 2024, 31st March 2023 and 31st March 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year six months period ended 30th September 2024.

(b) Do not require any adjustment for modification as there is no modification in the underlying audit reports; and

(c) Have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

All amounts included in the Restated Financial Information are presented in Indian Rupees ("INR" or "₹"), which is also the Company's functional currency and all values are stated as INR or ₹ million rounded of up to two decimals, except when otherwise indicated.

1.2 Basis of preparation and presentation:

Historical cost convention:

The Restated Financial Information of the Company have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

(a) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) and

(b) Defined benefits plan – plan assets are measured at fair value.

Current versus non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle; or

- Held primarily for the purpose of trading; or

- Expected to be realized within twelve months after the reporting period; or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle; or

- It is held primarily for the purpose of trading; or

- It is due to be settled within twelve months after the reporting period; or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

1.3 Key accounting judgments, estimates and assumptions:

The preparation of the Restated Financial Information in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the Restated Financial Information and the reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these Restated Financial Information have been disclosed in the notes below:

A. Judgments:

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the Restated Financial Information.

(a) Leases:

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company applies judgment in evaluating whether it is reasonably certain whether to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

B. Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, are described below. Accounting estimates could change from period to period. Actual results could differ from these estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Restated Financial Information in the period in which changes are made and if material, then effects are disclosed in the notes to the Restated Financial Information.

(a) Taxes:
Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

(b) Defined benefit plans:

The cost of defined benefit plans (i.e. gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The same is disclosed in Note 39, 'Employee Benefit Expense'.

(c) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow (DCF) model, which involve various judgements and assumptions.

(d) Property, plant and equipment:

Property, plant and equipment represents significant portion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of assets expected useful life and expected value at the end of its useful life. The useful life and residual value of Company's assets are determined by management at the time asset is acquired and reviewed periodically including at the end of each reporting period. The useful life is based on historical experience with similar assets, in anticipation of future events, which may have impact on their life such as change in technology or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

Material Accounting Policies:

1.4 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

(a) Expected to be realized or intended to be sold or consumed in the normal operating cycle; or

(b) Held primarily for the purpose of trading; or

(c) Expected to be realized within twelve months after the reporting period; or

(d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

(a) It is expected to be settled in the normal operating cycle; or

(b) It is held primarily for the purpose of trading; or

(c) It is due to be settled within twelve months after the reporting period; or

(d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

1.5 Property, Plant and Equipment

Recognition and Measurement:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at its cost. Following the initial recognition, all items of property, plant and equipment are measured at cost, less accumulated depreciation, and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes or levies, directly attributable cost of bringing the item to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Such cost also includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Other Indirect expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalised at cost and depreciated over their useful life.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The Management of respective companies have carried out the technical review for identification of significant components with different useful life with that of useful life of the original assets to which it belongs. However, based on technical analysis, it has been noticed that the useful life of the significant components is more or less remain the same with that of the original assets to which it belongs so no separate useful life are assigned to significant components. All the significant components are depreciated based on the same useful life with that of original assets to which it belongs.

Subsequent Expenditure:

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and cost of the item can be measured reliably.

Depreciation:

Depreciation on items of property, plant and equipment is provided to the extent of depreciable amount on the Written-Down Value (WDV) Method. Depreciation is provided by the Company based on useful life of the assets as prescribed in Schedule II of the Act.

Freehold land is not depreciated. Useful Life considered for calculation of depreciation for various class of assets are as under:

Sr. No.	Asset class	Useful life (Years)
1	Books	30
2	Computers	3
3	Electrical Installation	10
4	Factory Building	30
5	Furniture and Fittings	10
6	Laboratory Equipments	15
7	Vehicle / Motor Cars	8
8	Office Equipments	5
9	Plant & Machinery	15

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each reporting period. If any of these expectations differs from previous estimates, such change is accounted for as a change in an accounting estimate and adjusted prospectively.

De-recognition:

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

1.6 Capital Work-in-Progress (CWIP)

Projects under which tangible assets are not yet ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing costs. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as other non-current assets and not included as a part of capital work-in-progress.

Costs incurred during the period of implementation of a project, till it is commissioned, is accounted as capital work-in-progress and after commissioning the same is transferred/allocated to the respective item of property, plant and equipment.

1.7 Investment Property

Recognition and Measurement

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Policies with respect to depreciation, useful life and derecognition are followed on the same basis as stated for property, plant and equipment above.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer.

Transfer of property from investment property to the property, plant and equipment is made when the property is no longer held for long term rental yields or for capital appreciation or both at carrying amount of the property transferred.

1.8 Intangible Assets

Recognition and Measurement

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent Expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of profit and loss in the period in which expenditure is incurred.

Amortisation

Intangible assets with finite lives are amortised over the estimated useful economic life using the Written-Down Value (WDV) Method. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss. The estimated useful life of intangible assets as determined by the Company is mentioned as below:

Sr. No.	Asset Class	Useful Life (Years)
1	Computer Software	6

1.9 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment.

The Company uses judgment in assessing whether a contract (or part of contract) include a lease, the lease term (including anticipated renewals), the applicable discount rate, variable lease payments whether are in-substance fixed. The judgment involves assessment of whether the asset included in the contract is a fully or partly identified asset based on the facts and circumstances, whether the contract include a lease and non-lease component and if so, separation thereof for the purpose of recognition and measurement, determination of lease term basis, inter alia the non-cancellable period of lease and whether the lessee intends to opt for continuing with the use of the asset upon the expiry thereof, and whether the lease payments are fixed are variable or a combination of both.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered prior to transition date, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Right of Use Assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the unexpired period of lease.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, or a change in the lease payment

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Further the above lease also qualifies for low-value assets recognition exemption as they are of low-value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

1.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The Company determines the classification of its financial assets and liabilities at initial recognition. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

A. Financial Assets

Initial Recognition and Measurement

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at Fair Value Through Profit or Loss (FVTPL), are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

Subsequent Measurement

(a) Financial Assets measured at Amortised Cost (AC)

A Financial asset is subsequently measured at amortised cost if it meets the following criteria:

i. the asset is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and

ii. the contractual terms of the financial asset give rise on a specified date to cash flows that are solely payments of principal and interest on the principal outstanding.

(b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it meets the following criteria:

i. the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and

ii. the contractual terms of the financial asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

On de-recognition of such financial assets, cumulative gain or loss previously recognised in other comprehensive income is not reclassified from the equity to statement of profit and loss.

(c) Financial Assets measured at Fair Value through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

(d) Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in statement of profit and loss, except for those equity investments for which the Company has elected to present the value changes in other comprehensive income. However, dividend on such equity investments is recognised in statement of profit and loss when the Company's right to receive payment is established.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at Fair Value Through Profit and Loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk, full lifetime ECL is used.

B. Financial Liabilities

Initial Recognition and Measurement

All financial liabilities are recognised at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the statement of profit and loss as finance cost.

Subsequent Measurement

Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

C. De-recognition of Financial Instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. If the

Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a borrowing for the proceeds received.

A financial liability (or a part of a financial liability) is derecognised from the balance sheet when the obligation specified in the contract is discharged or cancelled or expired.

D. Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

1.11 Fair Value Measurement

The Company measures financial instruments, such as, investments, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability,

- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, which gives highest priority to quoted prices in active markets and the lowest priority to unobservable inputs.

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 - Valuation techniques for inputs other than quoted prices included within Level 1 that are observable for the asset or Liability either directly or indirectly.
Level 3 - Valuation techniques for inputs that are unobservable for the asset or liability.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.12 Impairment of Non-Financial Assets

The Company’s non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.
The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company’s corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss except for properties previously revalued with the revaluation surplus taken to other comprehensive income. For such properties, the impairment is recognised in other comprehensive income up to the amount of any previous revaluation surplus. An impairment loss in respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.13 Foreign Currencies Transactions and Translation

Functional and Presentation Currency:

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company's Restated Financial Information are presented in Indian Rupee (INR) which is also the Company's functional and presentation currency.

Transactions and Balances:

On initial recognition, transactions in foreign currencies entered by the Company are recorded in the functional currencies, by applying to the foreign currency rate, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the statement of profit and loss.

Foreign currency monetary items (Monetary assets and liabilities) outstanding of the Company as at the reporting date are translated using the exchange rates prevailing at such reporting dates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognised. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

Exchange Differences:

Exchange differences arising out of these translations are recognised in the statement of profit and loss in the period in which they arise with exception of exchange differences arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income or statement of profit and loss are also recognised in other comprehensive income or statement of profit and loss, respectively).

1.14 Cash and Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

1.15 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or;

(b) a present obligation that arises from past events but is not recognised because:

   i. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or

   ii. the amount of the obligation cannot be measured with sufficient reliability.

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

A contingent asset is a possible asset that arises from the past events and whose existence will be confirmed only by the occurrence or non- occurrence of one or more of uncertain future events not wholly within the control of the entity. Contingent assets are disclosed in the Restated Financial Information by way of notes to accounts when an inflow of economic benefits is probable.

1.16 Revenue Recognition (Revenue from Contracts with Customers)

The Company derives revenue primarily from sale of manufactured products being “Chemicals”. Revenue from contracts with customers is recognised when the control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

(a) Sale of Goods:

Revenue from sale of goods is recognised at the point of time when control of the goods is transferred to the customer, generally on dispatch/delivery of the goods except in case of export Sales, which are recognised on the basis of bill of lading on satisfaction of performance obligation and transfer of control.

Sale of goods is recognised net of sales returns and trade discounts. Sales excludes amounts of indirect taxes on sales.

(b) Dividend and Interest Income:

Dividend income from investments is recognised when the Company’s right to receive the payment has been established, which is generally when shareholders approve the dividend.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable.

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in other income in the statement of profit and loss.

(c) Rental Income:

Rental income from investment property is recognised in the statement of profit and loss over the term of the lease.

(d) Insurance Claims:

Claims receivable on account of insurance are accounted for to the extent no significant uncertainty exists for the measurement and realisation of the amount.

Insurance Claims, other than claim filed against fire accident, have been booked on receipt basis.

(e) Miscellaneous Income:

All other income is recognized on an accrual basis, when there is no uncertainty in its ultimate realization/collection.

1.17 Government grants, subsidies and export incentives:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants/subsidies relating to the purchase of property, plant and equipment are deducted from the Carrying amount of the Assets. The grant is recognised in the Statement of Profit and Loss over the useful life of the depreciable assets.

1.18 Inventories

Inventories have been valued on the following basis:

Nature of Inventories	**Basis of Inventories Valuation**
Raw Material Stock	Inventories of Raw Materials are valued at the lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Weighted Average basis. Cost of raw material excludes all taxes and duties.
Semi-Finished (WIP) Goods Stock	Semi-Finished (WIP) Goods Stocks are valued at cost plus appropriate overheads directly attributable to manufacturing activity.
Finished Goods Stock	Inventories of Finished Goods are valued at the lower of cost and net realisable value. Cost represents material, labour and manufacturing expenses and other incidental costs to bring the inventory in present location and condition.
Packing Material Stock	Packing Material stocks are valued at cost.
Stores & Spares Stock	Stores & Spares stocks are valued at cost.
Stock in Transit	Stock in transit stocks is valued at material cost.

As management is of the view that the goods are mainly intended to be exported and hence GST has not been added in valuation of finished goods.

Further imported goods received and laying at port as at balance sheet date and the same is received in factory during the subsequent month has been included in Inventories as goods in transit as at balance sheet date.

The comparison of cost and net realisable value is made on an item-by item basis. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make the sale.

1.19 Employee Benefits Expense

Short-Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognised in the period in which the employee renders the related services. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

The Company's contribution paid/payable during the period to Provident Fund, Pension Scheme and Employee State Insurance Scheme are considered as defined contribution plans.

Recognition and Measurements of Defined Contribution Plan

The contribution paid/payable under those plans are recognised as an expense, in the statement of profit and loss during the period in which the employee renders the services.

If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

Defined Benefit Plans

The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation superannuation. The gratuity is paid @15 days' basic salary for every completed year of service as per the Payment of Gratuity Act, 1972.

Recognition and Measurements of Defined Benefit Plan

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Actuarial gains and losses are recognised immediately in the statement of profit and loss and other comprehensive income in the period which they occur.

1.20 Tax Expenses

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognised in statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income, in which case, the tax is also recognised in other comprehensive income.

(a) Current Tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Indian Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the balance sheet date.

(b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Restated Financial Information and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilised.

(c) Minimum Alternate Tax (MAT):

Minimum Alternate Tax (MAT) credit are recognised if there is convincing evidence that the Company will pay normal tax after the tax holiday period and the resultant asset can be measured reliably. The excess tax paid under MAT provisions, being over and above regular tax liability, can be carried forward for a period of the years from the year of recognition and is available for set off against future tax liabilities computed under regular tax provisions, to the extent MAT liability.

(d) Presentation of Current and Deferred Tax:

Current and deferred tax are recognised as income or an expense in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income, in which case, the current and deferred tax income/expense are recognised in other comprehensive income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

1.21 Borrowing Costs

Borrowing costs includes interest & exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset which necessarily take a substantial period of time to get ready for their intended use or sale are capitalized as part of the cost of that asset. All other borrowing costs are recognised as an expensed in the period in which they occur.

1.22 Earnings per share

Basic earnings per share is computed by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving the basic earnings per share and the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

1.23 Segment Reporting

The Company identifies operating segments based on the dominant source, nature of risks and return and the internal organisation and management structure and for which discrete financial information is available. The CODM monitors the operating results of the segments for the purpose of making decisions about resource allocation and performance assessment.

The operating segment has been identified and reported taking into account its internal financial reporting, performance evaluation and organizational structure of its operations. Operating segment is reported in the manner evaluated by board, considered as chief operating decision maker under Ind AS 108 "Operating Segments".

The Company has only one segment of activity, namely "Manufacturing of Chemicals", in accordance with the definition of "Segment" covered under Indian Accounting Standards (Ind AS) 108 on operating segments.

1.24 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.25 Event Occurring after the reporting period:

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

NON-GAAP MEASURES

EBITDA, CAGR of EBITDA, EBITDA margin, return on capital employed, profit after tax margin, debtors' turnover ratio, inventory turnover ratio, debt service coverage ratio and interest coverage ratio

In addition to our results determined in accordance with Ind AS, we believe the following Non-GAAP measures are useful to investors in evaluating our operating performance and liquidity. We use the following Non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that Non-GAAP financial information, when taken collectively with financial measures disclosed in the financial statements prepared in accordance with Ind AS, may be helpful to investors because it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance. However, our management does not consider these Non-GAAP measures in isolation or as an alternative to financial measures.

EBITDA, CAGR of EBITDA, EBITDA margin, return on capital employed, profit after tax margin, debtors' turnover ratio, inventory turnover ratio, debt service coverage ratio and interest coverage ratio (**Non-GAAP Measures**) presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, IFRS or US GAAP. Further, EBITDA is not a measurement of our financial performance or liquidity under Ind AS, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, IFRS or US GAAP. In addition, Non-GAAP Measures are not standardised terms, hence a direct comparison of Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although Non-GAAP Measures is not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance. See '*Risk Factors - Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, CAGR of EBITDA, EBITDA margin, return on capital employed, profit after tax margin, debtors' turnover ratio, inventory turnover ratio, debt service coverage ratio and interest coverage ratio have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable*' on page 54.

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

Total Income

Total income comprises (i) revenue from operations; and (ii) other income.

Revenue from operations

Our revenue from operations comprises revenue from sale of products and services and other operating income which comprises duty drawback and export incentives.

Other income

Our other income comprises (i) interest on fixed deposits; (ii) gain on foreign currency transaction and translation (net); (iii) dividend income; (iv) profit on sale of assets (net); (v) electrical subsidy; (vi) insurance claim received; (vii) excess provision of income tax expenses write back; (viii) gain on sale of mutual funds; (ix) other interest; (x) transportation charges; and (xi) VAT refund.

Total Expenses

Our total expenses comprise (i) cost of goods sold i.e., aggregate of cost of materials consumed and change in inventories of finished goods, stock-in-trade and work-in progress; (ii) employee benefits expense; (iii) finance costs; (iv) depreciation and amortization expense; and (v) other expenses.

Cost of materials consumed

Cost of materials consumed relates to cost of raw materials consumed such as Piperazine Anhydrous, Benzyl acetone, 2-(2-Chloroethoxy) ethanol, 2-Chloroethylamine hydrochloride, 70% aqu. Soln, 4-Chlorobutyryl Chloride, Phosphorus oxychloride, Bis(2-Chloroethylamine) hydrochloric acid, 2-Diisopropylaminoethyl chloride Hydrochloride, (3,4-Dimethoxy phenyl) Acetonitrile, 1-Bromo-3-Chloropropane, 2,3-Dichloroaniline, and 2,5-Dichloronitrobenzene for manufacturing our products.

Changes in inventories of finished goods, stock-in-trade and work in progress

Changes in inventories of finished goods, stock-in-trade and work in progress reflects the change in our inventories from the beginning of the year / period to the end of the year / period.

Employee benefits expense

Employee benefits expense comprises salaries, wages, bonus and other allowances, contributions to provident fund, family pension and employee state insurance corporation, gratuity and leave encashment expense, workmen and staff welfare expenses and medical reimbursement expenses.

Finance costs

Finance costs comprise interest and other borrowing cost on borrowings from banks, bank charges, interest expenses (others), interest on lease liability and processing charges of loan.

Depreciation and amortisation expense

Depreciation and amortisation expenses comprises depreciation on tangible assets (property, plant and equipment) and amortization expenses on intangible assets and right of use assets.

Other expenses

Other expenses comprise (i) manufacturing expenses which comprise consumable, stores and factory expense, electric power cost, environment, health and safety expenses, factory rent and gas skid rent, freight, octroi and carting expenses, import clearing and forwarding charges, labour charges, loading, unloading and weighment expenses, packing materials, repair and maintenance expense, research and development expenses, personal protective equipment expenses and testing and analysis expenses; (ii) administrative expenses which comprise annual maintenance contract (equipment), computer expenses, CSR activity expenses, electrical expenses (office building), office consumables, gardening treatment expense, insurance expenses, legal expenses, membership and subscription fees, mobile and telephone expenses, office expenses, office rent, postage and courier charges, printing and stationery expenses, professional tax, professional and consultancy charges, repairs and maintenance expenses (indirect), statutory audit fees, sundry balances written off, interest / penalty on statutory payments, vehicle running and maintenance expenses, hotel expenses (other than employees), MSME interest and loss on sale of fixed asset; and (iii) selling and distribution expenses which comprise advertisement expenses, discount on sales, freight outward charges, sales commission expenses, sales promotion, conference and exhibition, travelling expenses and expected credit loss.

Tax expenses

Tax expense comprises current tax, deferred tax and minimum alternate tax credit.

Other Comprehensive Income

Other comprehensive income comprises of remeasurement of net defined benefits plan and tax thereon which is not classified through profit and loss account.

Total Comprehensive Income

Total comprehensive income includes profit for the period as adjusted for other comprehensive income.

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OUR RESULTS OF OPERATIONS

Set out below are select financial data from our restated profit and loss statement for the 6 months ended September 30, 2024, and for Fiscal 2024, Fiscal 2023 and Fiscal 2022, the components of which are also expressed as a percentage of total income.

Particulars	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ in million)	(% of Total Income)	(₹ in million)	(% of Total Income)	(₹ in million)	(% of Total Income)	(₹ in million)	(% of Total Income)
INCOME								
Revenue from operations	784.48	99.89	1,374.21	99.53	1,057.19	99.71	1,081.01	98.80
Other income	0.83	0.11	6.45	0.47	3.07	0.29	13.16	1.20
Total Income	**785.30**	**100.00**	**1,380.66**	**100.00**	**1,060.27**	**100.00**	**1,094.17**	**100.00**
EXPENSES								
Cost of Materials Consumed	457.74	58.29	742.71	53.79	633.80	59.78	684.12	62.52
Purchase of Traded Goods	-	-	-	-	-	-	-	-
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress	(127.71)	(16.26)	(78.47)	(5.68)	(58.59)	(5.53)	(48.40)	(4.42)
Employee Benefits Expense	68.39	8.71	113.38	8.21	97.52	9.20	78.97	7.22
Finance Costs	48.25	6.14	63.80	4.62	18.60	1.75	34.45	3.15
Depreciation and Amortization Expense	113.94	14.51	142.55	10.32	23.65	2.23	23.44	2.14
Other Expenses	64.48	8.21	73.69	5.34	80.04	7.55	117.14	10.71
Total Expenses	**625.10**	**79.60**	1,057.66	76.61	795.03	74.98	889.72	81.31
Restated Profit / (loss) before Exceptional Items and Tax	**160.21**	**20.40**	**323.00**	**23.39**	**265.24**	**25.02**	**204.45**	**18.69**
Exceptional Item	-	-	-	-	-	-	-	-
Profit / (loss) before tax	**160.21**	**20.40**	**323.00**	**23.39**	**265.24**	**25.02**	**204.45**	**18.69**
Tax expense								
- Current tax	54.00	6.88	52.30	3.79	65.00	6.13	65.50	5.99
- Deferred Tax Charge/(Credit)	(2.32)	(0.29)	36.61	2.65	20.35	1.92	(2.45)	(0.22)
- MAT Credit	(0.39)	(0.05)	-	-	-	-	-	-
- Tax in Respect of Earlier Years	-	-	-	-	-	-	-	-

Particulars	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ in million)	**(% of Total Income)**	**(₹ in million)**	**(% of Total Income)**	**(₹ in million)**	**(% of Total Income)**	**(₹ in million)**	**(% of Total Income)**
Restated Profit/(Loss) for the year from Continuing Operations	**108.91**	**13.87**	**234.09**	**16.96**	**179.89**	**16.97**	**141.39**	**12.92**
Other Comprehensive Income								
- **Items that will not be Reclassified to Profit or Loss**								
- Remeasurements of Net Defined Benefit Plans	(0.53)	(0.07)	(0.12)	(0.01)	(1.41)	(0.13)	-	-
- Income Tax Relating to Above Items	0.15	0.02	0.03	0.00	0.41	0.04	-	-
- **Items that will be reclassified to Profit or Loss**								
- Difference due to changes in foreign exchange reserves	-	-	-	-	-	-	-	-
Restated Other Comprehensive Income for the year, net of tax	**(0.38)**	**(0.05)**	**(0.08)**	**(0.01)**	**(1.00)**	**(0.09)**	-	-
Restated Total Comprehensive Income for the year	**108.53**	**13.82**	**234.01**	**16.95**	**178.88**	**16.87**	**141.39**	**12.92**

6 months ended September 30, 2024

Income

Total Income

Our total income was ₹ 785.30 million comprising primarily revenue from operations of ₹ 784.48 million.

Revenue from operations

Our revenue from operations was ₹ 784.48 million comprising (i) sale of products and services of ₹ 781.51 million; (ii) duty drawback of ₹ 1.20 million; and (iii) export incentives of ₹ 1.77 million.

Other income

Our other income was ₹ 0.83 million comprising primarily interest on fixed deposits of ₹ 0.29 million and gain on foreign currency transaction and translation (net) of ₹ 0.51 million.

Expense

Total Expense

Our total expenses were ₹ 625.10 million.

Cost of goods sold (Cost of materials consumed + change in inventories of finished goods, stock-in-trade and work-in progress)

Our cost of goods sold was ₹ 330.03 million comprising cost of materials consumed of ₹ 457.74 million for purchase of raw materials such as Piperazine Anhydrous, Benzyl acetone, 2-(2-Chloroethoxy) ethanol, 2-Chloroethylamine hydrochloride, 70% aqu. Soln, 4-Chlorobutyryl Chloride, Phosphorus oxychloride, Bis(2-Chloroethylamine) hydrochloric acid, 2-Diisopropylaminoethyl chloride Hydrochloride, (3,4-Dimethoxy phenyl) Acetonitrile, 1-Bromo-3-Chloropropane, 2,3-Dichloroaniline, and 2,5-Dichloronitrobenzene as reduced by change in inventories of finished goods, stock-in-trade and work-in progress of ₹ 127.71 million.

Employee benefits expense

Our employee benefits expense was ₹ 68.39 million comprising primarily salaries, wages, bonus and other allowance of ₹ 62.27 million.

Finance Costs

Our finance costs comprising primarily interest costs and expenses was ₹ 48.25 million.

Depreciation and amortization expense

Our depreciation and amortization expense were ₹ 113.94 million comprising primarily depreciation for the period on property, plant and equipment of ₹ 113.64 million.

Other expenses

Our expenses were ₹ 64.48 million comprising primarily electric power cost of ₹ 23.00 million, expenses on packing material of ₹ 3.07 million, insurance expenses of ₹ 4.16 million, professional and consultancy charges of ₹ 3.01 million and freight outward charges of ₹ 9.30 million.

Profit before tax

As a result of the factors outlined above, our profit before tax for the 6 months ended September 30, 2024 was ₹ ₹ 160.21 million.

Tax expense

Our tax expense was ₹ 51.29 million comprising current tax of ₹ 54.00 million, as reduced by deferred tax credit of ₹ 2.32 million and minimum alternate tax credit of ₹ 0.39 million.

Profit for the period

As a result of the foregoing, our profit for the period was ₹ 108.91 million.

FISCAL 2024 COMPARED TO FISCAL 2023

Income

Total Income

Our total income increased by 30.22%from ₹ 1,060.27 million in Fiscal 2023 to ₹ 1,380.66 million in Fiscal 2024, primarily due to an increase in our revenue from operations as discussed below.

Revenue from operations

Our revenue from operations increased by 29.99% from ₹ 1,057.19 million in Fiscal 2023 to ₹ 1,374.21 million in Fiscal 2024. This was due to an increase in sale of products and services from ₹ 1,049.95 million in Fiscal 2023 to ₹ 1,366.16 million in Fiscal 2024, due to commercialisation of 7 new products and increase in sales of the exiting products.

Other income

Our other income increased by 109.93% from ₹ 3.07 million in Fiscal 2023 to ₹ 6.45 million in Fiscal 2024, primarily due to an insurance claim received of ₹ 3.50 million during Fiscal 2024.

Expense

Total Expense

Our total expenses increased by 33.03% from ₹ 795.03 million in Fiscal 2023 to ₹ 1,057.66 million in Fiscal 2024, due to an increase in various expenses as discussed below.

Cost of materials consumed

Our cost of materials consumed increased by 17.18% from ₹ 633.80 million in Fiscal 2023 to ₹ 742.71 million in Fiscal 2024, commensurate with the increase in our revenue from operations by 29.99% from ₹ 1,057.19 million in Fiscal 2023 to ₹ 1,374.21 million in Fiscal 2024. Despite this increase, our cost of raw materials consumed to our revenue from operations reduced from 59.95% in Fiscal 2023 to 54.05% in Fiscal 2024.

Change in inventories of finished goods, stock-in-trade and work-in progress

Our inventories of finished goods, stock-in-trade and work-in progress increased by 33.95% from (58.59) million to ₹ (78.47) million, commensurate with the increase in our revenue from operations and cost of materials consumed.

Cost of goods sold (Cost of materials consumed + change in inventories of finished goods, stock-in-trade and work-in progress)

Our cost of goods sold increased by 15.47% from ₹ 575.22 million in Fiscal 2023 to ₹ 664.23 million in Fiscal 2024 due to the reasons mentioned above.

Employee benefits expense

Our employee benefits expense increased by 16.26% from ₹ 97.52 million in Fiscal 2023 to ₹ 113.38 million in Fiscal 2024 primarily due to an increase in our salaries, wages, bonus and other allowance from ₹ 89.73 million in Fiscal 2023 to ₹ 103.15 million in Fiscal 2024 on account of an increase in the number of employees from 249 employees to 258 employees, and annual increments of the employees.

Finance Costs

Our finance costs increased by 242.98% from ₹ 18.60 million in Fiscal 2023 to ₹ 63.80 million in Fiscal 2024 primarily due to an increase in interest and other borrowing costs on borrowings from banks from ₹ 8.31 million in Fiscal 2023 to ₹ 50.77 million in Fiscal 2024. The interest and other borrowing costs on borrowing from banks increased due to higher utilisation of cash credit facilities during Fiscal 2024 as compared to Fiscal 2023 and interest on term loan availed by the Company for capital expenditure incurred by the Company.

Depreciation and amortization expense

Our depreciation and amortization expense increased by 502.76% from ₹ 23.65 million in Fiscal 2023 to ₹ 142.55 million in Fiscal 2024 primarily due to commercialisation of the increase in our manufacturing capacity from 173.50 KL as on March 31, 2022 to 511.70 KL as on March 31, 2023 during the last month of Fiscal 2023, and commercialisation of the increase in our manufacturing capacity from 511.70 KL as on March 31, 2023 to 766.50 KL as on March 31, 2024.

Other expenses

Our expenses decreased by 7.93% from ₹ 80.04 million in Fiscal 2023 to ₹ 73.69 million in Fiscal 2024 primarily due to a decrease in (i) our consumable, stores and factory expenses from ₹ 20.15 million in Fiscal 2023 to ₹ 0.23 million in Fiscal 2024; (ii) discount on sales from ₹ (3.25) million in Fiscal 2022 to ₹ 0.16 million in Fiscal 2024; and (iii) freight outward charges from ₹ 11.84 million in Fiscal 2023 to ₹ 4.48 million in Fiscal 2024, which was partially offset primarily by an increase in (i) electric power cost from ₹ 18.38 million in Fiscal 2023 to ₹ 27.03 million in Fiscal 2024; (ii) labour charges from ₹ 0.96 million in Fiscal 2023 to ₹ 3.51 million in Fiscal 2024; and (iii) expenses towards sales promotion, conference and exhibition from ₹ 0.82 million in Fiscal 2023 to ₹ 2.47 million in Fiscal 2024.

Profit before tax

As a result of the factors outlined above, our profit before tax increased by 21.78% from ₹ 265.24 million in Fiscal 2023 to ₹ 323.00 million in Fiscal 2024.

Tax expense

Our tax expense increased marginally by 4.17% from ₹ 85.35 million in Fiscal 2023 to ₹ 88.91 million in Fiscal 2024 due to an increase in deferred tax charge from ₹ 20.35 million in Fiscal 2023 to ₹ 36.61 million in Fiscal 2024 which was partially offset primarily by a decrease in current tax from ₹ 65.00 million in Fiscal 2023 to ₹ 52.30 million in Fiscal 2024.

Profit for the year

As a result of the foregoing, our profit after tax increased by 30.13% from ₹ 179.89 million in Fiscal 2023 to ₹ 234.09 million in Fiscal 2024.

FISCAL 2023 COMPARED TO FISCAL 2022

Income

Total Income

Our total income marginally decreased by 3.10% from ₹ 1,094.17 million in Fiscal 2022 to ₹ 1,060.27 million in Fiscal 2023, primarily due to a decrease in our revenue from operations as discussed below.

Revenue from operations

Our revenue from operations marginally decreased by 2.20% from ₹ 1,081.01 million in Fiscal 2022 to ₹ 1,057.19 million in Fiscal 2023. This was due to a marginal decrease in sale of products and services from ₹ 1,070.88 million in Fiscal 2022 to ₹ 1,049.95 million in Fiscal 2023 on account of reduction in export sales.

Other income

Our other income decreased by 76.65% from ₹ 13.16 million in Fiscal 2022 to ₹ 3.07 million in Fiscal 2023, primarily due to decrease in gain on foreign currency transaction and translation (net) from ₹ 8.98 million in Fiscal 2022 to ₹ 2.95 million in Fiscal 2023.

Expense

Total Expense

Our total expenses decreased by 10.64% from ₹ 889.72 million in Fiscal 2022 to ₹ 795.03 million in Fiscal 2023, due to a decrease in various expenses as discussed below.

Cost of materials consumed

Our cost of materials consumed decreased by 7.36% from ₹ 684.12 million in Fiscal 2022 to ₹ 633.80 million in Fiscal 2023, commensurate with the decrease in our revenue from operations by 2.20% from ₹ 1,081.01 million in Fiscal 2022 to ₹ 1,057.19 million in Fiscal 2023. Our cost of raw materials consumed to our revenue from operations has reduced from reduced from 63.29% in Fiscal 2022 to 59.95% in Fiscal 2023.

Change in inventories of finished goods, stock-in-trade and work-in progress

Our inventories of finished goods, stock-in-trade and work-in progress increased by 21.04% from (48.40) million to ₹ (58.59) million, due to increased scale of operation and consequent increase in work-in-progress and finished goods as on March 31, 2023.

Cost of goods sold (Cost of materials consumed + change in inventories of finished goods, stock-in-trade and work-in progress)

Our cost of goods sold decreased by 9.52% from ₹ 635.72 million in Fiscal 2022 to ₹ 575.22 million in Fiscal 2023 due to the reasons mentioned above.

Employee benefits expense

Our employee benefits expense increased by 23.49% from ₹ 78.97 million in Fiscal 2022 to ₹ 97.52 million in Fiscal 2023 primarily due to an increase in our salaries, wages, bonus and other allowance from ₹ 68.12 million in Fiscal 2022 to ₹ 89.73 million in Fiscal 2023 on account of an increase in the number of employees from 170 employees to 249 employees, and annual increments of the employees.

Finance Costs

Our finance costs decreased by 46.01% from ₹ 34.45 million in Fiscal 2022 to ₹ 18.60 million in Fiscal 2023 primarily due to a decrease in interest and other borrowing costs on borrowings from banks from ₹ 11.18 million in Fiscal 2022 to ₹ 8.31 million in Fiscal 2023. This decrease was due to capitalisation of interest on term loan until the plant, which was under construction on account of additional capacities, was commercialised. Further interest expense (others) also decreased from ₹ 13.79 million in Fiscal 2022 to ₹ 7.07 million in Fiscal 2023 due to lower interest on GST payments during Fiscal 2023 as compared to Fiscal 2022.

Depreciation and amortization expense

Our depreciation and amortization expense marginally increased by 0.90% from ₹ 23.44 million in Fiscal 2022 to ₹ 23.65 million in Fiscal 2023. This was primarily due to commercialisation of the increase in our manufacturing capacity from 173.50 KL as on March 31, 2022 to 511.70 KL as on March 31, 2023, during the last month of Fiscal 2023.

Other expenses

Our expenses decreased by 31.67% from ₹ 117.14 million in Fiscal 2022 to ₹ 80.04 million in Fiscal 2023 primarily due to a decrease in (i) discount on sales from ₹ 27.29 million in Fiscal 2023 to ₹ (3.25) million in Fiscal 2023; and (ii) freight outward charges from ₹ 15.95 million in Fiscal 2022 to ₹ 11.84 million in Fiscal 2023, which was partially offset primarily by an increase in consumable, stores and factory expenses from ₹ 14.28 million in Fiscal 2022 to ₹ 20.15 million in Fiscal 2023.

Profit before tax

As a result of the factors outlined above, our profit before tax increased by 29.73% from ₹ 204.45 million in Fiscal 2022 to ₹ 265.24 million in Fiscal 2023.

Tax expense

Our tax expense increased by 35.37% from ₹ 63.05 million in Fiscal 2022 to ₹ 85.35 million in Fiscal 2023 primarily due to an increase in deferred tax charge from ₹ (2.45) million in Fiscal 2022 to ₹ 20.35 million in Fiscal 2023.

Profit for the year

As a result of the foregoing, our profit after tax increased by 27.22% from ₹ 141.39 million in Fiscal 2022 to ₹ 179.89 million in Fiscal 2023.

Liquidity and capital resources

As on September 30, 2024, our Company had a sum of ₹ 1.80 million in cash and cash equivalents (balance in current accounts, and cash on hand). Historically, our Company has been able to finance the growth of our business through the funds generated from our operations, equity infusion and borrowings from banks.

CASH FLOWS

The following table sets forth certain information concerning our cash flows for 6 months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022:

(₹ in million)

Particulars	For the 6 months ended September 30, 2024	For year ended March 31, 2024	For year ended March 31, 2023	For year ended March 31, 2022
Net cash (used in) / generated from operating activities (**A**)	131.72	407.19	283.87	108.13
Net cash (used in) / generated from investing activities (**B**)	(102.64)	(421.58)	(739.83)	(368.14)
Net cash (used in) / generated from financing activities (**C**)	(29.03)	13.95	457.79	259.41
Net increase/(decrease) in cash and cash equivalents **(A+B+C)**	**0.05**	**(0.44)**	**1.83**	**(0.60)**

Net cash (used in) / generated from operating activities

6 months ended September 30, 2024

Our net cash flow generated from operating activities was ₹ 131.72 million in the 6 months ended September 30, 2024. While our profit before tax was ₹ 160.21 million, our operating profit before working capital changes stood at ₹ 321.58 million after taking into adjustments for *inter alia* depreciation and amortization expense of ₹ 113.94 million and finance cost of ₹ 48.25 million. Working capital changes included primarily an increase in trade receivables of ₹ 111.08 million, increase in inventories of ₹ 184.88 million, decrease in other current assets of ₹ 70.80 million and decrease in trade and other payables of ₹ 88.84 million. This was further adjusted by direct taxes paid (net of refunds) of ₹ 52.30 million.

Fiscal 2024

Our net cash flow generated from operating activities was ₹ 407.19 million in Fiscal 2024. While our profit before tax was ₹ 323.00 million, our operating profit before working capital changes stood at ₹ 528.81 million after taking into adjustments for *inter alia* depreciation and amortization expense of ₹ 142.55 million and finance cost of ₹ 63.80 million. Working capital changes included primarily an increase in trade receivables of ₹ 79.05 million, increase in inventories of ₹ 76.72 million, decrease in other current assets of ₹ 59.01 million and decrease in trade and other payables of ₹ 41.95 million. This was further adjusted by direct taxes paid (net of refunds) of ₹ 65.00 million.

Fiscal 2023

Our net cash flow generated from operating activities was ₹ 283.87 million in Fiscal 2023. While our profit before tax was ₹ 265.24 million, our operating profit before working capital changes stood at ₹ 306.23 million after taking into adjustments for *inter alia* depreciation and amortization expense of ₹ 23.65 million and finance cost of ₹ 18.60 million. Working capital changes included primarily an increase in inventories of ₹ 42.01 million, increase in trade and other payables of ₹ 16.69 million, decrease in trade receivables of ₹ 59.33 million, decrease in other current assets of ₹ 69.37 million and decrease in other current liabilities of ₹ 30.02 million. This was further adjusted by direct taxes paid (net of refunds) of ₹ 65.50 million.

Fiscal 2022

Our net cash flow generated from operating activities was ₹ 108.13 million in Fiscal 2022. While our profit before tax was ₹ 204.45 million, our operating profit before working capital changes stood at ₹ 260.87 million after taking into adjustments for *inter alia* depreciation and amortization expense of ₹ 23.44 million and finance cost of ₹ 34.45 million. Working capital changes included primarily an increase in inventories of ₹ 53.64 million, increase in other current assets of ₹ 150.36 million, decrease in trade and other payables of ₹ 74.88 million and decrease in other current liabilities of ₹ 9.73 million. This was further adjusted by direct taxes paid (net of refunds) of ₹ 47.67 million.

Net cash flow (used in) / generated from investing activities

6 months ended September 30, 2024

Net cash flow used in investing activities in the 6 months ended September 30, 2024 was ₹ 102.64 million which primarily comprised proceeds towards purchase of property, plant and equipments / intangible assets of ₹ 102.93 million which was partially offset by interest received of ₹ 0.29 million.

Fiscal 2024

Net cash flow used in investing activities in Fiscal 2024 was ₹ 421.58 million which primarily comprised proceeds towards purchase of property, plant and equipments / intangible assets of ₹ 422.45 million which was partially offset by interest received of ₹ 0.36 million and sale proceeds of property, plant and equipment of ₹ 0.52 million.

Fiscal 2023

Net cash flow used in investing activities in Fiscal 2023 was ₹ 739.83 million which primarily comprised proceeds towards purchase of property, plant and equipments / intangible assets of ₹ 741.67 million which was partially offset by interest received of ₹ 0.12 million and sale proceeds of property, plant and equipment of ₹ 1.72 million.

Fiscal 2022

Net cash flow used in investing activities in Fiscal 2022 was ₹ 368.14 million which primarily comprised proceeds towards purchase of property, plant and equipments / intangible assets of ₹ 367.29 million which was partially offset by interest received of ₹ 0.31 million, proceeds from sale of investments of ₹ 7.16 million and addition in right of use assets of ₹ (8.32) million.

Net cash flow (used in) / generated from financing activities

6 months ended September 30, 2024

Net cash flow used in financing activities in the 6 months ended September 30, 2024 was ₹ 29.03 million which primarily comprised long term borrowings re-paid (net) of ₹ 42.22 million, short term borrowings received (net) of ₹ 61.51 million, and finance cost paid of ₹ 48.25 million.

Fiscal 2024

Net cash flow generated from financing activities in Fiscal 2024 was ₹ 13.95 million which primarily comprised long term borrowings re-paid (net) of ₹ 9.79 million, short term borrowings received (net) of ₹ 87.75 million, and finance cost paid of ₹ 63.80 million.

Fiscal 2023

Net cash flow generated from financing activities in Fiscal 2023 was ₹ 457.79 million which primarily comprised long term borrowings received (net) of ₹ 437.40 million, short term borrowings received (net) of ₹ 38.96 million, and finance cost paid of ₹ 18.60 million.

Fiscal 2022

Net cash flow generated from financing activities in Fiscal 2022 was ₹ 259.41 million which primarily comprised long term borrowings received (net) of ₹ 249.00 million, short term borrowings received (net) of ₹ 13.82 million, receipt of share application money of ₹ 50.40 million, and finance cost paid of ₹ 34.45 million.

FINANCIAL INDEBTEDNESS

As of February 28, 2025, our total sanctioned was ₹ 1,581.00 million and our outstanding balance of our fund based borrowings, including secured and unsecured borrowings (long term and short term, but excluding vehicle loans) was ₹ 1,317.41 million, respectively. For further details of our indebtedness, see *'Financial Indebtedness'* on page 357.

CAPITAL EXPENDITURE

Set out in the table below are details of the capital expenditure incurred by our Company in the 6 months ended September 30, 2024, and in Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Particulars	For the 6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (*in ₹ million*)	As a % of revenue from operations	Amount (*in ₹ million*)	As a % of revenue from operations	Amount (*in ₹ million*)	As a % of revenue from operations	Amount (*in ₹ million*)	As a % of revenue from operations
Capital expenditure	102.93	13.12%	422.45	30.74%	740.06	70.00%	367.29	33.98%

Trade Payables Ageing Summary (Outstanding for following periods from due date of payment)

As on September 30, 2024

(in ₹ million)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro Enterprises and Small Enterprises	28.42	0.06	-	-	**28.48**
Others	312.00	7.40	-	-	**319.40**

As on March 31, 2024

(in ₹ million)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro Enterprises and Small Enterprises	30.53	0.06	-	-	**30.60**
Others	225.40	3.05	-	-	**228.45**

As on March 31, 2023

(in ₹ million)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro Enterprises and Small Enterprises	80.93	25.65	-	-	**106.58**
Others	110.51	-	-	-	**110.51**

As on March 31, 2022

(in ₹ million)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro Enterprises and Small Enterprises	100.23	25.57	-	-	**125.79**
Others	107.99	-	-	-	**107.99**

CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

Set out below are the contingent liabilities and capital commitments as on March 31, 2024:

(in ₹ million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Contingent Liabilities				

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
iii. In respect of Sales Tax/VAT/GST	10.11	10.11	-	-
iv. In respect of Others (HR related Matter)	0.45	0.45	0.45	-
Total	**10.56**	**10.56**	**0.45**	-
Capital Commitments				
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	166.76	0.50	71.94	266.50

SELECT BALANCE SHEET ITEMS

Current Assets

(in ₹ million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
a. Inventories	447.28	262.40	185.68	143.67
b. Financial Assets				
i. Trade receivables	387.47	276.40	197.35	256.68
ii. Cash and cash equivalents	1.80	1.75	2.19	0.36
iii. Bank balances other than cash and cash equivalents	-	-	-	-
iv. Loans and Advances	1.03	1.06	1.03	0.99
v. Other financials assets	2.83	0.43	0.11	0.08
c. Other current assets	50.39	121.19	180.19	249.56
Total current assets	**890.79**	**663.22**	**566.55**	**651.33**

Current Liabilities

(in ₹ million)

Particulars			As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(a) Financial Liabilities						
(i)	Borrowings		307.60	246.09	158.33	119.37
(ii)	Lease Liabilities		0.12	0.12	0.11	0.10
(iii)	Trade Payables					
	(A)	total outstanding dues of micro enterprises and small enterprises; and	28.48	30.60	106.58	125.79
	(B)	total outstanding dues of creditors other than micro enterprises and small enterprises	319.40	228.45	110.51	107.99
(iv)	Financial Liabilities		2.39	1.84	1.52	1.29
a. Short Term Provisions			7.70	7.27	6.84	5.61
b. Liability for Current Tax (Net)			54.00	52.30	65.00	65.50
c. Other Current Liabilities			9.35	10.29	10.94	40.96
Total Current Liabilities			**729.04**	**576.95**	**459.83**	**466.61**

Related Party Transactions

We have engaged in the past, and may engage in the future, in transactions with related parties, including with our Directors and Group Company on an arm's length basis, in compliance with applicable law. Such transactions could be for remuneration to directors, loans given, commission payable and interest income receivable. For further details of our related party transactions, please see '*Restated Financial Statements – Note 42 - Related Party Disclosures'* on page 314.

Summary of reservations or qualifications or matters of emphasis or adverse remarks of auditors

Our Restated Financial Statements do not contain any qualifications or reservations.

Change in accounting policies

Other than as disclosed in the Restated Financial Statements, there have been no changes in accounting policies in the last three Fiscals.

Quantitative and Qualitative Disclosures about Market Risk

Our Company's principal financial liabilities comprise of trade and other payables. Our Company's financial assets include trade and other receivables, and cash and cash equivalents that it derives directly from its operations.

Our Company is exposed to a variety of risks namely market risk, credit risk and liquidity risk. Our Company's senior management oversees the management of these risks. Our Company's senior management is supported by our Board of Directors that advises on financial risks and the appropriate financial risk governance framework for our Company. This provides assurance to our Company's senior management that our Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with our Company's policies and risk objectives. Our Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Credit risk

Credit risk is the risk of financial loss to our Company if a customer or counterparty to a financial instrument fails to meet its contractual obligation. The carrying amounts of financial assets represent the maximum credit risk exposure. Credit risk assessment on various components is described below:

i. *Trade Receivables*

The exposure to credit risk on accounts receivables and amounts due from related parties is monitored on an ongoing basis by the management and these are considered recoverable by our Company's management. Accounts receivables were outstanding from few customers and hence our Company has concentration of accounts receivables and consequent risk to that extent. Our Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which our Company operates. Loss rates are based on actual credit loss experience and past trends.

The following year/period end trade receivables though overdue, are expected to be realised in the normal course of business and hence, are not considered impaired as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022:

(in ₹ million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Neither impaired nor past due	**-**	**-**	**-**	**-**
Past due but not impaired				
- 0-6 months	387.47	272.29	197.34	256.68
- 6 months - 12 months	-	4.11	0.01	-
- More than 12 months	-	-	-	-
Total	**387.47**	**276.40**	**197.35**	**256.68**

Details of allowances for expected credit losses are provided hereunder:

(in ₹ million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
At the beginning of the period/year	**0.37**	**-**	**-**	**-**
Additions during the period/year	-	0.37	-	-
Adjustments during the period/year	-	-	-	-
Total	**0.37**	**0.37**	**-**	**-**

ii. *Cash and Cash Equivalents, Bank Deposits and Investments*

Our Company maintains its cash and cash equivalents, bank deposits and investment with reputed banks, financial institutions, and corporates. The credit risk on these instruments is limited because the counterparties are banks and high credit rated financial institutions and corporates assigned by credit rating agencies.

iii. *Other Financial Assets*

This consists of loans and advances given to employees and security deposits given to lessors as well as to utility providers like electricity companies. These carries limited credit risk based on the financial position of parties and our Company's historical experience of dealing with these parties.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and deposits.

i. *Interest Rate Risk*

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure of our Company's fixed rate financial liabilities to interest rate risk is as follows:

The exposure of the Company's financial liabilities to interest rate risk is as follows:

(in ₹ million)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Closing balance of borrowings	**1,068.96**	**1,049.66**	**971.70**	**495.33**
Sensitivity analysis of impact on profit or loss due to change in interest rate:				
Increase by 1%	(10.69)	(10.50)	(9.72)	(4.95)
Decrease by 1%	10.69	10.50	9.72	4.95

ii. *Price Risk*

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables for investments in debt oriented mutual funds and other financial instruments caused by factors specific to an individual investment, its issuer and market. Our Company's exposure to price risk arises from diversified investments in mutual funds, preference shares and other equity instruments and classified in the balance sheet at fair value.

iii. *Foreign currency risk*

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Our Company's exposure to the risk of changes in foreign exchange rates relates primarily to our Company's operating activities (when revenue or expense is denominated in a foreign currency).

Sensitivity Analysis

The sensitivity analysis has been based on the composition of our Company's financial assets and liabilities at the end of the respective reporting periods:

6 months ended September 30, 2024

Particulars	Currency	Foreign currency in million	(in ₹ million)	Impact on profit	
				1% increase in millions	1% decrease in millions
Financial Assets	US Dollar (USD)	0.72	60.14	0.60	(0.60)
Financial Assets	Euro (EUR)	0.04	3.89	0.04	(0.04)
Financial Liabilities	US Dollar (USD)	0.31	26.07	(0.26)	0.26
Financial Liabilities	Euro (EUR)	-	-	-	-

Fiscal 2024

Particulars	Currency	Foreign currency in million	(in ₹ million)	Impact on profit	
				1% increase in millions	1% decrease in millions
Financial Assets	US Dollar (USD)	0.92	76.79	0.77	(0.77)
Financial Assets	Euro (EUR)	0.01	1.04	0.01	(0.01)
Financial Liabilities	US Dollar (USD)	0.12	10.20	(0.10)	0.10
Financial Liabilities	Euro (EUR)	-	-	-	-

Fiscal 2023

Particulars	Currency	Foreign currency in million	(in ₹ million)	Impact on profit	
				1% increase in millions	1% decrease in millions
Financial Assets	US Dollar (USD)	1.27	104.02	1.04	(1.04)
Financial Assets	Euro (EUR)	0.05	4.57	0.05	(0.05)
Financial Liabilities	US Dollar (USD)	0.14	11.71	(0.12)	0.12
Financial Liabilities	Euro (EUR)	-	-	-	-

Fiscal 2022

Particulars	Currency	Foreign currency in million	(in ₹ million)	Impact on profit	
				1% increase in millions	1% decrease in millions
Financial Assets	US Dollar (USD)	1.35	102.29	1.02	(1.02)
Financial Assets	Euro (EUR)	0.04	3.28	0.03	(0.03)
Financial Liabilities	US Dollar (USD)	0.06	4.51	(0.05)	0.05
Financial Liabilities	Euro (EUR)	-	-	-	-

Liquidity risk

Liquidity risk is the risk that our Company will face in meeting its obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. Our Company follows a conservative policy of ensuring sufficient liquidity at all times through a strategy of profitable growth, efficient liquidity at all times through a strategy of profitable growth, efficient working capital management as well as prudent capital expenditure. Our Company has an overdraft facility with banks to support any temporary funding requirements.

Our Company has established an appropriate liquidity risk management framework for the management of our Company's short-term, medium-term, and long-term funding and liquidity management requirements. Our Company manages liquidity risk by maintaining adequate reserves and by continuously monitoring cash flows, and by matching the maturity profiles of financial assets and liabilities.

Maturities of Financial Liabilities

The tables below analyse our Company's financial liabilities into relevant maturity based on their contractual maturities:

As at September 30, 2024

(in ₹ million)

Particulars	Less than 1 year	More than 1 year	Total
Borrowings	307.60	761.36	**1,068.96**
Lease Liabilities	0.12	7.90	**8.02**
Trade payables	347.88	-	**347.88**
Other Financial Liabilities	2.39	-	**2.39**
Total	**657.99**	**769.26**	**1,427.25**

As at March 31, 2024

(in ₹ million)

Particulars	Less than 1 year	More than 1 year	Total
Borrowings	246.09	803.57	**1,049.66**
Lease Liabilities	0.12	7.98	**8.10**
Trade payables	259.05	-	**259.05**
Other Financial Liabilities	1.84	-	**1.84**
Total	**507.09**	**811.56**	**1,318.65**

As at March 31, 2023

(in ₹ million)

Particulars	Less than 1 year	More than 1 year	Total
Borrowings	158.33	813.37	**971.70**
Lease Liabilities	0.11	8.20	**8.31**
Trade payables	217.09	-	**217.09**
Other Financial Liabilities	1.52	-	**1.52**
Total	**377.05**	**821.57**	**1,198.62**

As at March 31, 2022

(in ₹ million)

Particulars	Less than 1 year	More than 1 year	Total
Borrowings	119.37	375.96	**495.33**
Lease Liabilities	0.10	8.19	**8.29**
Trade payables	233.78	-	**233.78**
Other Financial Liabilities	1.29	-	**1.29**
Total	**354.54**	**384.15**	**738.69**

Competitive Conditions

We operate in a competitive environment. For further information, please see '*Risk Factors*', *'Industry Overview'*, *'Our Business - Competition'* on pages 27, 130, and 219, respectively.

Seasonality / Cyclicality of business

Our Company's business is not subject to seasonal changes.

Unusual or infrequent events or transaction

Except as set out in this Draft Red Herring Prospectus, there have been, to our knowledge, no unusual or infrequent events or transactions that have in the past, or may in the future, affect our business operations or future financial performance.

Segment Reporting

Our business activity primarily falls within a single business segment, i.e., API intermediates and specialty chemicals industry, and, consequently, we do not follow any segment reporting.

Extent to which material increases in net sales or revenue are due to increased sales volume, and increased sales prices

Except as set out in this chapter above, our net sales or revenue are not dependent on sales volume and sale price.

Total turnover of each major industry segment in which our Company operated

Our Company operates primarily in the API intermediates and specialty chemicals industry, and we catered to Pharmaceutical, Agro Chemicals, Veterinary, Plastics and Electrochemical industries. and our entire revenue is generated from this industry. Set out in the table below are details of our revenue from our Application Industries for 6 months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022:

Application Industry	6 months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations (*in ₹ million*)	% of revenue from operations	Revenue from operations (*in ₹ million*)	% of revenue from operations	Revenue from operations (*in ₹ million*)	% of revenue from operations	Revenue from operations (*in ₹ million*)	% of revenue from operations
Pharmaceutical	755.25	96.64	1,241.13	90.85	985.49	93.86	968.91	90.48
Agrochemicals	9.07	1.16	33.41	2.45	27.76	2.64	39.29	3.67
Electrochemical	14.66	1.88	68.91	5.04	33.58	3.20	43.53	4.07
Others*	2.52	0.32	22.71	1.66	3.11	0.30	19.15	1.79
Total	**781.51**	**100.00**	**1,366.16**	**100.00**	**1,049.95**	**100.00**	**1,070.88**	**100.00**

**Others include chemical and healthcare.*

Significant dependence on a single or few suppliers or Customers

We are very heavily reliant on our top 3, top 5 and top 10 customers. For details, please see '*Principal Factors Affecting our Financial Condition and Results of Operations - Ability to retain our existing customers'* on page 363 and '*Risk Factors - Our business is significantly reliant on certain key customers, and we derived 59.37%, 54.09%, 50.31% and 62.44% of our revenue from operations during the 6 months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively, from our top 10 customers. Further, we do not enter into any long term contracts with our customers. Loss of any of these customers or loss of revenue from sales to any key customers could have a material adverse effect on our business, financial condition, results of operations and cash flows'* on page 28. We are also heavily reliant on our top 3, 5 and 10 vendors. Please also see, '*Risk Factors - We are significantly reliant on a few vendors, and we do not enter into long-term contracts or arrangements with our vendors. Any loss of vendors will have a material adverse impact on our business and our revenue. Further, if we are unable to procure raw materials of the required quality and quantity, at competitive prices, our business, results of operations and financial condition may be adversely affected'* on page 31.

Significant economic changes that materially affect or are likely to affect income from continuing operations

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in this chapter. For further details see *'Risk Factors'* and *'Industry Overview'*, on pages 27 and 130, respectively.

Known Trends or Uncertainties

Our business has been, and we expect will continue to be, subject to significant economic changes arising from the trends identified above under '*Principal Factors Affecting our Financial Condition and Results of Operations* and the uncertainties described in the section *'Risk Factors'* on page 27. To our knowledge, except as has been described in this Draft Red Herring Prospectus, there are no known trends or uncertainties, that have or had or are expected to have a material adverse impact on our revenues from continuing operations.

Future Relationships between Costs and Income

Other than as described in *'Risk Factors'*, *'Our Business'* and *'Management's Discussion and Analysis of Financial Condition and Results of Operations'* on pages 27, 196 and 360, respectively, to our knowledge, there are no known factors that may have a material adverse impact on our business, results of operations and financial condition.

New Services or Business Segments

Except as disclosed in this Draft Red Herring Prospectus, we have not announced and do not expect to announce any new services or business segments in the near future.

Significant Developments after September 30, 2024 that may affect our results of operations

Except as disclosed in this Draft Red Herring Prospectus, there are, to our knowledge, no significant developments after the date of the last financial statements contained in this Draft Red Herring Prospectus which materially and adversely affects, or is likely to affect, our operations or profitability, or the value of our assets, or our ability to pay our material liabilities within the next 12 months.

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (a) criminal proceedings (including first information reports even if no cognizance has been taken by any court) involving our Company, our Directors, and our Promoters, or our Group Company; (b) actions (including all penalties and show cause notices) by any statutory or regulatory authorities involving our Company, our Directors, or our Promoters,; (c) disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoters in the last 5 Fiscals including outstanding actions; (d) claim involving our Company, our Directors, and our Promoters, for any direct or indirect tax liabilities (disclosed in a consolidated manner giving the total number of claims and total amounts involved); (e) criminal proceedings involving our Key Managerial Personnel and members of Senior Management and actions by regulatory authorities and statutory authorities against any of our Key Managerial Personnel and members of Senior Management (f) other pending litigations involving our Company, our Directors, or our Promoters (other than proceedings covered under (a) to (e) above) which have been determined to be material pursuant to the materiality policy approved by our Board in its meeting held on March 12, 2025 (**Materiality Policy**) (as disclosed herein below).*

In terms of the Materiality Policy, all outstanding litigation/ arbitration proceedings (other than those covered under (a) - (e) above) involving our Company, our Directors, our Promoters and our Subsidiary, shall be considered 'material' and disclosed in the Offer Documents: (i) if the aggregate monetary amount of claim made by or against the entity or person in any such pending proceeding exceeds 2% of the turnover of our Company as per the last restated annual financial statements of our Company i.e. ₹ 27.48 million or 2 % of net worth of our Company as per the last restated annual financial statements of our Company (except in case the arithmetic value of the net worth is negative) i.e. ₹ 15.98 million or 5% of the average absolute value of profit or loss after tax of our Company as per the last three restated annual financial statements of our Company i.e. ₹ 9.26 million, whichever is lower.(ii) where monetary liability is not determinable or quantifiable for any other outstanding proceeding, or which does not fulfil the financial threshold specified in (i) above, but the outcome of any such pending proceeding may have a material adverse effect on the business, operations, performance, prospects, position or reputation of our Company.

Pre-litigation notices received by our Company, our Directors, our Promoters, our Group Company or our Subsidiary, from third parties (excluding notices from statutory, regulatory or tax authorities, notices threatening criminal action) shall not be evaluated for materiality until our Company, our Directors, our Promoters, our Group Company or our Subsidiary, is impleaded in proceedings before any judicial/ arbitral forum.

Further, as per the requirements of SEBI ICDR Regulations, our Company shall also disclose such outstanding litigation involving the Group Company which has a material impact (as determined by our Board) on our Company.

Except as stated in this section, there are no material outstanding dues to creditors of our Company. For this purpose, our Board, in its meeting held on March 12, 2025, has considered and adopted the Materiality Policy for identification of material outstanding dues to creditors. In terms of our Materiality Policy, creditors of our Company to whom an amount having a monetary value exceeds 5% of the total trade payables of our Company are considered material. In addition, outstanding dues as on September 30, 2024, owed by our Company to micro, small and medium enterprises in terms of Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006 and creditors other than micro, small and medium enterprises and Material Creditors have been disclosed in this chapter.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

I. Litigation involving our Company

a. Litigations against our Company

i. *Criminal proceedings*

As on the date of this DRHP, there are no outstanding criminal proceedings against our Company.

ii. *Outstanding actions by statutory and/or regulatory authorities*

As on the date of this DRHP, there are no outstanding actions by statutory and/or regulatory authorities against our Company.

iii. *Tax proceedings*

Nature of the case	Number of cases	Total amount* involved *(in ₹ million)*
Direct tax litigations	Nil	Nil
Indirect tax litigations	1	10.11
Total	**1**	**10.11**

**To the extent quantifiable and ascertainable*

iv. *Material outstanding litigations*

As on the date of this DRHP, there are no outstanding material litigation by against our Company.

b. Litigation initiated by our Company

i. *Criminal proceedings*

As on the date of this DRHP, there are no outstanding criminal proceedings by our Company.

ii. *Material outstanding litigations*

As on the date of this DRHP, there are no outstanding material litigation by our Company.

II. Litigation involving our Promoters

A. Litigations against our Promoters

i. *Criminal proceedings*

As on the date of this DRHP, there are no outstanding criminal proceedings against our Promoters.

ii. *Outstanding actions by statutory and/or regulatory authorities*

As on the date of this DRHP, there are no outstanding actions by statutory and/or regulatory authorities against our Promoters.

iii. *Disciplinary actions including penalty imposed by SEBI or Stock Exchanges in the last 5 Fiscals*

As on the date of this DRHP, there are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges in the last 5 Fiscals against our Promoters.

iv. *Tax proceedings*

Nature of the case	Number of cases	Total amount* involved *(in ₹ million)*
Direct tax litigations	Nil	Nil
Indirect tax litigations	Nil	Nil

Nature of the case	Number of cases	Total amount* involved *(in ₹ million)*
Total	**Nil**	**Nil**

*To the extent quantifiable and ascertainable

v. *Material outstanding litigations*

As on the date of this DRHP, there are no material outstanding litigation against our Promoters.

vi. *Other Litigations*

Our Promoters, i.e., Bipin Patel and Kantilal Ramanlal Patel along with two others (collectively, '**Applicants**') had filed a criminal anticipatory bail application under Section 482 of the Bhartiya Nagarik Suraksha Sanhita, 2023, before the Court of Special Judge (NDPS Cases) at Sessions Court for Greater Bombay at Mumbai (**Anticipatory Bail Application**) for offences punishable under section 9(A), 25(A), 29, and 59 of the NDPS Act. The Applicants have filed the Anticipatory Bail Application with apprehension of their arrest pursuant to a first information report dated July 11, 2019 (**FIR**) registered with the Anti Narcotic Cell for offences punishable under section 9(A), 25(A), 29, and 59 of the NDPS Act against Sam Fine O Chem Limited where Kantilal Ramanlal Patel, and Bipin Patel were directors. Kantilal Ramanlal Patel and Bipin Patel ceased to directors of Sam Fine O Chem Limited during the financial year 2019-20. The Special Court for Narcotic Drug and Psychotropic Substance Act, 1985 at Greater Bombay through its order dated October 18, 2024 (**Order**) has allowed the Anticipatory Bail Application. In terms of the Order, in the event of an arrest, our Promoters, i.e., Bipin Patel and Kantilal Ramanlal Patel will be released upon complying with the conditions set out in the Order *inter alia* executing PR Bond of ₹ 50,000 each. Subsequently, our Promoters, i.e., Bipin Patel and Kantilal Ramanlal Patel were summoned and have appeared before the authorities. The proceedings under the FIR are yet to be concluded. For details, see Risk Factor – '*There is an outstanding legal proceeding involving our Company which, if determined against us, could have a material adverse effect on our business, cash flows, financial condition and results of operations*' on page 45.

B. Litigation initiated by our Promoters

i. *Criminal proceedings*

As on the date of this DRHP, there are no outstanding criminal proceedings by our Promoters.

ii. *Material outstanding litigations*

As on the date of this DRHP, there are no outstanding material litigation by our Promoters.

III. Litigation involving our Directors (other than Promoters)

A. Litigations against our Directors (other than Promoters)

i. *Criminal proceedings*

As on the date of this DRHP, there are no outstanding criminal proceedings against our Directors.

ii. *Outstanding actions by statutory and/or regulatory authorities*

As on the date of this DRHP, there are no outstanding actions by statutory and/or regulatory authorities against our Directors.

iii. *Tax proceedings*

Nature of the case	Number of cases	Total amount involved *(in ₹ million)*
Direct tax litigations	Nil	Nil
Indirect tax litigations	Nil	Nil
Total	**Nil**	**Nil**

**To the extent quantifiable and ascertainable*

iv. *Material outstanding litigations*

As on the date of this DRHP, there are no material outstanding litigation against our Directors.

B. Litigation initiated by our Directors (other than Promoters)

i. *Criminal proceedings*

As on the date of this DRHP, there are no outstanding criminal proceedings by our Directors.

ii. *Material outstanding litigations*

As on the date of this DRHP, there are no material outstanding litigations by our Directors.

IV. Litigation involving our Group Company

Nil

V. Litigations involving our Key Managerial Personnel and members of Senior Management (other than Directors)

i. *Criminal proceedings involving our Key Managerial Personnel and members of Senior Management*

As on the date of this DRHP, there are no criminal proceedings involving our Key Managerial Personnel and members of Senior Management.

ii. *Actions by regulatory authorities and statutory authorities*

As on the date of this DRHP, there are no actions against any of our Key Managerial Personnel and, or, members of Senior Management by any regulatory authority or statutory authority.

VI. Outstanding dues to creditors

As of September 30, 2024, our Company had 282 creditors on a basis and the aggregate amount due by our Company to these creditors was ₹ 347.88 million, as detailed below:

Types of Creditors	Number of Creditors	Amount involved (in ₹ million)
Micro, Small and Medium Enterprises*	46	28.48
Other creditors	236	319.40
Total	**282**	**347.88**

**As defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended*

Our Board, in its meeting held on March 12, 2025, has considered and adopted the Materiality Policy for identification of material outstanding dues to creditors. In terms of our Materiality Policy, creditors of our Company to whom an amount having a monetary value exceeds 5% of the total trade payables of our

Company, i.e., ₹ 17.39 million, are considered material (**Material Creditors**). Based on this criteria, details of outstanding dues owed to Material Creditors as on September 30, 2024, by our Company are set out below:

Particulars	Number of Creditors	Amount involved (in ₹ million)
Material Creditors	2	49.46

The details pertaining to outstanding dues to Material Creditors, along with the name and amount involved for each such Material Creditor, are available on the website of our Company at https://allchemlifescience.com/ipo-offer-documents.php.

It is clarified that information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, https://allchemlifescience.com/ipo-offer-documents.php, would be doing so at their own risk.

Other Confirmations

There have been no inspections by SEBI or any other regulator which need to be disclosed in this Draft Red Herring Prospectus or non-disclosure of which may have bearing on the investment decision.

Material Developments since the date of the last Balance Sheet

Other than as disclosed below and in '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' on page 360 , there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability, the value of our assets, or our ability to pay our liabilities within the next 12 months from the date of this Draft Red Herring Prospectus:

Our Company has pursuant to the Board resolution dated February 28, 2025, allotted 72,287,995 Equity Shares by way of bonus issue in the ratio of 17 Equity Shares for every 1 Equity Share held by the Shareholders as on record date, i.e., December 20, 2024.

GOVERNMENT AND OTHER APPROVALS

Except as disclosed herein, and in 'Risk Factors' on page 27 (in relation to material approvals which are required but not obtained or applied for by us), our Company has received the material consents, licenses, permissions, registrations and approvals from the relevant governmental, statutory and/ or regulatory authorities in India, which are necessary for undertaking its present business activities. We have set out below a list of material consents, licenses, permissions, and approvals from various governmental, statutory, and regulatory authorities in India which are considered material and necessary for the purpose of undertaking our business activities. Unless stated otherwise, these material approvals are valid as on the date of this Draft Red Herring Prospectus.

In addition to these approvals, we have also disclosed below (i) the approvals applied for, including renewal applications made, but not received; and (ii) the approvals for which applications are yet to be made by our Company.

I. Approvals in relation to the Offer

For details of approvals and authorisations in relation to the Offer, see '*Other Regulatory and Statutory Disclosures*' on page 410.

II. Approvals in relation to incorporation of our Company

For details in relation to the incorporation of our Company, see '*History and Certain Other Corporate Matters*' on page 227.

III. Approvals in relation to our Company's business operations

Our Company is required to obtain various registrations and approvals in relation to our business. The registrations and approvals obtained by our Company in respect of our business operations include:

Business Related Approvals

Sr. No.	Particulars	Issuing Authority	Reference No. / Registration No.	Date of Issue / Renewal	Expiry Date
1.	Importer-Exporter Code	Directorate General of Foreign Trade, ministry of Commerce and Industry	3417500133	April 11, 2017	Valid until cancelled
2.	Legal Entity Identifier	Legal Entity Identifier India Limited	984500EB5A2AB3864487	March 6, 2021	March 6, 2027
3.	Certificate for use of a Smoke Cum Water Tube a Boiler	Director of Boilers Gujarat Boiler Inspection Department	GT-10789	September 19, 2024	September 18, 2025
4.	UDYAM Registration Certificate	Ministry of Micro, Small and Medium Enterprises	UDYAM-GJ-24-0002607	August 26, 2020	Valid until cancelled
5.	Registration for Manufacture/Distribution/Sale/Purchase/Possession/Storage/Consumption of Controlled Substances i.e., Acetic Anhydride, Anthranilic Acid	Zonal Director, Narcotics Control Buereau, Ahmedabad Zonal Unit	AHCD1200791	May 26, 2017	Valid till cancelled

Sr. No.	Particulars	Issuing Authority	Reference No. / Registration No.	Date of Issue / Renewal	Expiry Date
	under Narcotic Drugs and Psychotropic Substance (Regulation of Controlled Substances) Order, 2013				
6.	Methanol License	Office of Superintendent Narcotics Prohibition and Excise, Vadodara	174/21-23	April 1, 2023	March 31, 2025
7.	License to Import and Store Petroleum under the Petroleum Act, 1934 and the Petroleum Rules, 2002	Chief Controller of Explosives WB, Vadodara	P/WB/GJ/16/599(P460161)	October 11, 2025	December 31, 2025
8.	License to Import and Store Petroleum under the Petroleum Act, 1934 and the Petroleum Rules, 2002	Chief Controller of Explosives WB, Vadodara	P/WB/GJ/15/2939 (P501133)	October 11, 2025	December 31, 2025

Labour Related Approvals

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
1.	License to work a factory under the Factories Act, 1948	Directorate Industrial Safety & Health, Gujarat State	29 August 2003	December 31, 2028
2.	Allotment of code number under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952	Ministry of Labour and Employment, Government of India	VDBRD/68006	Valid until cancelled
3.	Allotment of code number under the Employees State Insurance Act, 1948	Sub-Regional Office, Employees' State Insurance Corporation	March 16, 2019	Valid until cancelled
4.	Certificate of registration under Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976	Business Tax Officer	October 16, 2024	Valid until cancelled
5.	Fire NOC	Regional Fire Office, Gujarat State Fire	February 24, 2021	Valid until cancelled

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
		Prevention Services, Vadodara		

Our Company has also obtained the certificate of registration under the Gujarat Labour Welfare Fund Act, 1953.

Environment Related Approvals

Sr. No.	Particulars	Issuing Authority	Date of Issue / Renewal	Expiry Date
1.	Consolidated Consent and Authorisation under Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981, and Hazardous Waste (Management, Handling and Transboundary Movement) Rules 2008	Gujarat Pollution Control Board	January 16, 2025	March 31, 2027
2.	Consent to establish (after obtaining environmental clearance) under Water Act, 1974 and Air Act, 1981	Gujarat Pollution Control Board	February 17, 2021	February 16, 2028

Tax Related Approvals

Sr. No.	Particulars	Issuing Authority	Reference No.
1.	Permanent Account Number	Income Tax Department	AAPCA1364F
2.	Tax Deduction and Collection Account Number	Income Tax Department	BRDA05400D
3.	Central Excise Registration Certificate	Central Board of Excise and Customs	AGCPP0440KEM001
4.	Service Tax Certificate	Central Board of Excise and Customs	AAPCA1364FSD001
5.	Certificate of Registration under Central Sales Tax (Registration and Turnover) Rules, 1957	Commercial Tax Officer, Gujarat Commercial Tax	24692100559

GST Registration

Sr. No.	Name of the State	Principal Place of Business in the State	Refence No.	Date of Issue
1.	Gujarat	Block No. 1088/B/P, 1088-A, Lamdapura Road, Village Manjusar, Tal-Savli, Vadodara, Vadodara - 391 775, Gujarat-391775, India	24AAPCA1364F1ZF	September 23, 2017

IV. Details of Approvals required / expired but not applied for by our Company

As on the date of this Draft Red Herring Prospectus, there are no approvals that are required / expired but not applied for by our Company.

V. Approvals applied for, including renewal applications, but not yet received

a. Renewal application for use of a Smoke Cum Water Tube a Boiler under Indian Boilers Act, 1923.

b. Renewal application for License to Sale & Sell (Retail or Whole sale) Sodium Cyanide under Poisons Act, 1919.

VI. Approvals required but not obtained or applied for

As on the date of this Draft Red Herring Prospectus, there are no approvals that are required but not obtained applied for by our Company.

GROUP COMPANY

Under the SEBI ICDR Regulations, the definition of 'group companies' includes (a) such companies (other than the promoters and subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under applicable accounting standards, and (b) such other companies as are considered material by our Board. Pursuant to the resolution passed by our Board at its meeting March 12, 2025, our Board formulated a policy with respect to companies which it considers material to be identified as group companies.

Accordingly, for (a) above, all such companies with which our Company had related party transactions during the period covered in the Restated Financial Information, as covered under the applicable accounting standards, are considered as group company in terms of the SEBI ICDR Regulations. For (b) above, our Board does not consider any company as its Group Company.

Set forth below, based on the aforementioned criteria, are the details of our Group Company as on the date of this Draft Red Herring Prospectus.

Novan Trade Chem Private Limited

Corporate Information

The registered office of Novan Trade Chem Private Limited is situated at Plot No. 1130-1139/B, At &PO, Manjusar Lamdapura Road, Savli, Vadodra, Gujarat India 390022. Its company identity number is U24110GJ2016PTC092931.

Financial Performance

Novan Trade Chem Private Limited was incorporated on July 13, 2016. In accordance with the SEBI ICDR Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the latest audited financial statements available of Novan Trade Chem Private Limited for the Fiscal 2024, 2023 and 2022 are available at https://allchemlifescience.com/ipo-offer-documents.php.

Nature and extent of interests of our Group Company

In the promotion of our Company

Our Group Company does not have an interest in the promotion or formation of our Company.

In the properties acquired by our Company

Our Group Company does not have any interest in any property acquired by our Company in the 3 years preceding the date of filing this Draft Red Herring Prospectus or proposed to be acquired by it as on date of this Draft Red Herring Prospectus.

In transactions for acquisition of land, construction of building and supply of machinery

Our Group Company does not have an interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery.

Business interests in our Company

Except in the ordinary course of business and as disclosed under '*Restated Financial Statements'* on page 261, our Group Company does not have any business interest in our Company.

Related Business Transactions within our Group Companies and significance on the financial performance of our Company

Except as disclosed under '*Restated Financial Statements'* on page 261, there are no related business transactions with our Group Company.

Common pursuits of our Group Company

There are no common pursuits amongst our Company and the Group Company.

Litigation

As on date of this Draft Red Herring Prospectus, our Group Company are not party to any pending litigation which will have a material impact on our Company:

Utilisation of Offer Proceeds

There are no material existing or anticipated transactions with our Group Company in relation to utilisation of the Offer Proceeds.

Other confirmations

As on the date of this Draft Red Herring Prospectus, the securities of our Group Company are not listed on any stock exchange in India or abroad.

There is no conflict of interest between our Group Company or any of their respective directors and the lessors of immovable properties of our Company (who are crucial for the operations of our Company).

There is no conflict of interest between our Group Company or any of their respective directors and the suppliers of raw materials and third-party service providers of our Company (who are crucial for the operations of our Company).

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorized by our Board of Directors pursuant to the resolution passed at its meeting dated March 5, 2025, and by our Shareholders pursuant to a special resolution passed at their meeting dated March 6, 2025. This Draft Red Herring Prospectus has been approved by our Board pursuant to its resolution dated March 13, 2025.

Our Board of Directors has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholders pursuant to the resolution passed at its meeting dated March 5, 2025. For further details, please see section titled "*The Offer*" on page 65.

Each of the Promoter Selling Shareholders have severally and not jointly confirmed and approved their participation in the Offer for Sale in relation to its portion of the Offered Shares, as set out below:

Sr. No.	Name of the Selling Shareholder	Date of the Consent Letters	Maximum number of Offered Shares
1	Kantilal Ramanlal Patel	March 5, 2025	3,577,500
2	Manisha Bipin Patel	March 5, 2025	3,577,500

In-Principle Listing Approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoter, members of our Promoter Group, and our Directors and persons in control of our Company are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoter and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities. None of our Promoter or Directors have been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

The Promoter Selling Shareholders, severally and not jointly, confirm that they are not prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Our Company, Promoter, Directors or Promoter Selling Shareholders have neither been declared as Wilful Defaulters nor Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI.

Other confirmations

There is no conflict of interest between the lessors of immovable properties of (who are crucial for the operations of our Company) and our Company, or any of our Promoters, Directors, members of Promoter Group, Key Managerial Personnel.

There is no conflict of interest between the suppliers of raw materials and third party service providers (who are crucial for the operations of our Company) and our Company, or any of our Promoters, Directors, members of Promoter Group, Key Managerial Personnel.

Other than as disclosed below, none of the Directors, or Promoter or individuals forming part of the Promoter Group of our Company is appearing in the list of directors of struck-off companies.

1. Bipin Patel, Chairman and Managing Director of our Company, was a director of Allchem Labscience Private Limited which was voluntarily struck-off on for being inoperative.

None of the investors of the Company are directly or indirectly related to the BRLM or any of its associates.

No material clause of the Articles of Association, as set out in '*Description of Equity Shares and Main Provisions of the Articles of Association*' at page 457 having a bearing on the Offer or the disclosure in this Draft Red Herring Prospectus, has been left out.

Directors associated with the Securities Market

None of our Directors are in any manner, associated with securities market and there is no outstanding action initiated by SEBI against the Directors of our Company in the 5 years preceding the date of this Draft Red Herring Prospectus.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoter, members of our Promoter Group, and the Promoter Selling Shareholders, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;

- Our Company has an average operating profit of at least ₹150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding 3 years;

- Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated and consolidated basis; and

- Our Company has not changed its name in the last 1 year.

Our Company's pre-tax operating profits, net worth, restated net tangible assets and restated monetary assets derived from the Restated Financial Information included in this Draft Red Herring Prospectus as at, and for the last three financial years ended March 31 are set forth below:

Derived from our Restated Financial Information:

(in ₹ million)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Operating Profit, as restated (1)	380.35	280.77	225.74
Average Operating Profit			295.62
Net Worth, as restated (2)	798.89	564.92	385.76
Net Tangible Assets, as restated (3)	790.65	555.89	372.64
Monetary Assets, as restated (4)	1.75	2.19	0.36

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Monetary assets as a percentage of the net tangible assets (in %), as restated	0.22	0.39	0.09

(1) *'Operating Profit' is defined as restated profit before tax before finance costs but excluding other income.*

(2) *'Net Worth' means the aggregate value of the paid-up share capital and all reserves created out of profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets including revaluation reserve, capital redemption reserve, write back of depreciation and amalgamation."*

(3) *'Net Tangible Assets' means the sum of all net assets (arrived at by deducting non-current liabilities, current liabilities from total assets) of the Company, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38 and deferred tax assets as defined in Ind AS 12 and excluding the impact of deferred tax liabilities as defined in Ind AS 12 issued by Institute of Chartered Accountants of India.*

(4) *'Monetary Assets' is the aggregate of cash on hand, cash equivalents and balance with banks (including other bank balances and interest accrued thereon).*

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees in the Offer shall be not less than 1,000 failing which the entire application monies shall be refunded forthwith, in accordance with the SEBI ICDR Regulations and other applicable laws.

Our Company will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulations 5 and 7(1) of the SEBI ICDR Regulations, to the extent applicable. The status of our compliance with Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

(ii) Our Company, the Promoter, members of the Promoter Group and our Directors are not debarred from accessing the capital markets by SEBI;

(iii) The companies with which our Promoter or our Directors are associated as promoter or director are not debarred from accessing the capital markets by SEBI;

(iv) Neither our Company, nor our Promoter nor our Directors have been identified as a wilful defaulter or a fraudulent borrower (as defined in the SEBI ICDR Regulations by any bank or financial institution or consortium thereof in accordance with the RBI master direction dated July 01, 2016;

(v) Neither our individual Promoter nor our Directors has been declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;

(vi) There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus;

(vii) Our Company, along with the Registrar to the Offer, has entered into tripartite agreements dated February 7, 2025 and February 12, 2025, with NSDL and CDSL, respectively, for dematerialization of the Equity Shares;

(viii) The Equity Shares of our Company held by our Promoter are in dematerialised form;

(ix) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus;

(x) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance;

(xi) Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively; and

(xii) Our Company has appointed [●] as the Designated Stock Exchange.

Our Company will ensure compliance with the conditions specified in Regulation 7(2) and 7(3) of the SEBI ICDR Regulations, to the extent applicable.

Each of the Selling Shareholders, severally and not jointly, confirms that the Offered Shares have been held by them in compliance with Regulation 8 of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLM, EMKAY GLOBAL FINANCIAL SERVICES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BRLM ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLM HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 13, 2025 IN ACCORDANCE WITH SEBI (MERCHANT BANKERS) REGULATIONS, 1992, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLM, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Offer will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, our Promoter, our Directors and the BRLM

Our Company, our Promoter, our Directors and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, https://allchemlifescience.com/ipo-offer-documents.php, or the respective websites of members of our Promoter Group, Group Company or any affiliate of our Company, would be doing so at his or her own risk.

The BRLM accepts no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement.

All information shall be made available by our Company and the BRLM to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, the BRLM and their directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters, the BRLM and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLM and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for our Company, our Promoter, members of the Promoter Group, and their respective directors and officers, Group Companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company, Directors, Promoter, officers, agents, Group Companies, or their respective affiliates or associates for which they have received, and may in future receive compensation.

Disclaimer from the Selling Shareholders

The Promoter Selling Shareholders, in their capacity as Selling Shareholders, accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website at https://allchemlifescience.com/ipo-offer-documents.php, or the respective websites of our Promoter Group or any affiliate of our Company would be doing so at his or her own risk.

The Promoter Selling Shareholders, in their capacity as Selling Shareholders, accept no responsibility for any statements made in this Draft Red Herring Prospectus, other than those specifically made or confirmed by the Promoter Selling Shareholders in relation to themselves as a Promoter Selling Shareholders and their respective portion of the Offered Shares.

Bidders will be required to confirm and will be deemed to have represented to the Promoter Selling Shareholders and their representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. The Promoter Selling Shareholders and their representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

Disclaimer in respect of jurisdiction

Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Rajkot, Gujarat, India only.

This Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs and AIFs that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Draft Red Herring

Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares issued hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be issued, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. The delivery of this Draft Red Herring Prospectus, shall not, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Eligibility and Transfer Restrictions

The Equity Shares issued in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable laws in the United States, and unless so registered, may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such issue and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any offshore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the BSE. The disclaimer clause as intimated by BSE to our Company post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the NSE. The disclaimer clause as intimated by NSE to our Company post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Listing

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. [●] will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares being issued and sold in the Offer.

If the permissions to deal in the Equity Shares is not granted by both the Stock Exchanges, our Company will forthwith repay, without interest, all monies received from the Bidders in pursuance of the Red Herring Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within 3 Working Days of the Bid/Offer Closing Date or such period as may be prescribed by SEBI.

Our Company shall refund the money raised in the Offer, together with any interest on such money as required under applicable laws, to the Bidders if required to do so for any reason under applicable laws, including due to failure to obtain listing or trading approval or pursuant to any direction or order of SEBI or any other governmental authority. Each Selling Shareholder shall be, severally and not jointly, liable to refund money raised in the Offer, only to the extent of its Offered Shares, together with any interest on such amount as per applicable laws. Provided that the Selling Shareholders shall not be liable or responsible to pay such interest unless such delay is solely and directly attributable to an act or omission of such Selling Shareholder.

Each of the Selling Shareholders undertake to provide such reasonable assistance as may be requested by our Company, to the extent such assistance is required from it in relation to its Offered Shares to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within such time prescribed by the SEBI.

Consents

Consents in writing of: (a) Promoter Selling Shareholders, our Directors, our Promoter, our Company Secretary and Compliance Officer, Chief Financial Officer, Banker(s) to the Company, legal counsel appointed for the Offer, CARE, the BRLM, the Registrar to the Offer, Statutory Auditor, Independent Chartered Accountant in their respective capacities, have been obtained; (b) Monitoring Agency; the Syndicate Members, the Banker(s) to the Offer / Escrow Collection Bank(s)/ Refund Bank(s), Sponsor Bank(s), to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, and such consents, which have been obtained, have not been withdrawn as of the date of this Draft Red Herring Prospectus.

Expert opinion

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated March 13, 2025 from our Statutory Auditors namely, Talati & Talati LLP , holding a valid peer review certificate from ICAI to include their name as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors and in respect of their examination report dated March 3, 2025, on our Restated Financial Statements and on the statement of special tax benefits dated March 13, 2025 included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Our Company has received written consent dated March 10, 2025 from A.Y. Chippa, Independent Chartered Engineer, to include his name as an 'expert' as defined under Section 2(38) of the Companies Act to the extent and in his capacity as Independent Chartered Engineer in respect of the certificate dated March 10, 2025 issued by him in connection with, *inter-alia*, production capacity, actual production, and capacity utilisation of our Company and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term 'expert' shall not be construed to mean an 'expert' as defined under U.S. Securities Act.

Particulars regarding public or rights issues undertaken by our Company during the last 5 years

Our Company has not made any public issue or rights issue during the last 5 years immediately preceding the date of this Draft Red Herring Prospectus.

Particulars regarding capital issues by our Company and listed group companies, or associate entity during the last 3 years

Other than as disclosed in '*Capital Structure*' on page 81, our Company has not made any capital issues during the 3 years preceding the date of this Draft Red Herring Prospectus.

As on the date of this Draft Red Herring Prospectus, our Company does not have any Group Company.

Commission and brokerage paid on previous issues of Equity Shares in the last 5 years

Since this is the initial public issue of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the 5 years preceding the date of this Draft Red Herring Prospectus.

Performance *vis-à-vis* objects – Public/ rights issue of our Company

Our Company has not made any public issue or rights issue to the public in the 5 years immediately preceding the date of this Draft Red Herring Prospectus.

Performance *vis- à-vis* objects: Public/ rights issue of the listed subsidiaries and listed promoters

As of the date of this Draft Red Herring Prospectus, our Company does not have a subsidiary or corporate promoters.

Price information of past issues handled by the BRLM

A. Emkay Global Financial Services Limited

Price information of past issues handled by Emkay Global Financial Services Limited (during the current Fiscal and two Fiscals preceding the current financial year):

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on listing date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Awfis Space Solutions Limited	598.93	383.00	30-05-2024	435.00	34.36% [6.77%]	107.66% [11.40%]	87.85%[7.59%]
2.	J.G.Chemicals Limited	251.19	221.00	13-03-2024	211.00	2.10% [2.04%]	8.12% [5.08%]	90.90% [12.09%]
3.	Ethos Limited	402.26	878.00	30-05-2022	830.00	-11.50% [-5.18%]	20.68% [5.20%]	4.65% [11.39%]

Summary statement of price information of past public issues handled by Emkay Global Financial Services Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ million)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2024-2025*	1	598.93	0	0	0	0	1	0	0	0	0	1	0	0
2023-2024	1	251.19	0	0	0	0	0	1	0	0	0	1	0	0
2022-2023	1	402.26	0	0	1	0	0	0	0	0	0	0	0	1

** Details indicated in 2024-25 are for the public issues completed as on date.*

Notes:

(i) The respective Designated Stock Exchange for each Issue has been considered as the Benchmark index for each of the above Issues.

(ii) In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered. If the stock was not traded on

the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
Source: www.bseindia.com and www.nseindia.com BSE Sensex and Nifty Fifty as the Benchmark Indices

(***Remainder of this page has been intentionally left blank***)

Website track record of past issues handled by the BRLM

For details regarding the track record of the BRLM, as specified in Circular reference bearing number CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the BRLM as set forth in the table below:

Sr No.	Name of the BRLM	Website
1.	Emkay Global Financial Services Limited	www.emkayglobal.com

Stock market data of the Equity Shares

As the Offer is the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of Investor Grievances

SEBI, by way of its Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism, inter alia, in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures. Per the Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including: (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) hosting of a web portal by the Sponsor Banks containing statistical details of mandate blocks/unblocks; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/partially allotted applications is completed by the closing hours of 1 Working Day subsequent to the finalisation of the Basis of Allotment.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable).

In terms of SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable) and subject to applicable laws, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within 3 months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% p.a. for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period. Further, in terms of SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a minimum period of 8 years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, where the Bid cum Application Form was submitted, quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than UPI Bidders bidding through the UPI mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of UPI Bidders applying through the UPI mechanism in which the amount equivalent to the Bid Amount is blocked. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLM with whom the Bid cum Application Form was submitted by the Anchor Investor.

All grievances relating to Bids submitted with the Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

For helpline details of the Book Running Lead Manager pursuant to the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), see '*General Information - Book Running Lead Managers*' on page 75.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLM or the Registrar to the Offer, in the manner provided below.

Disposal of investor grievances by our Company

Our Company will obtain authentication on the SCORES and will comply with the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and any amendment thereto, in relation to redressal of investor grievances through SCORES, prior to filing the Red Herring Prospectus.

Our Company has not received any investor grievances in the last 3 Fiscals prior to the filing of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of filing of this Draft Red Herring Prospectus. Our Company estimates that the average time required by our Company and/or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Jigardan Gadhvi, as our Company Secretary and Compliance Officer and he may be contacted in case of any pre-Offer or post-Offer related problems at the following address:

Address: Block No. 1088/B/P, 1088-A,
Lamdapura Road, Village Manjusar,
Tal-Savli, Vadodara, Vadodara – 391 775
Gujarat, India
Telephone: +91-9574722211
E-mail: investor@allchemlifescience.com

For further information, see '*General Information-Company Secretary and Compliance Officer*' on page 74.

Further, our Board has also constituted the Stakeholders' Relationship Committee comprising of Hemang Mehta, as Chairperson, Lavina Bharatkumar Chhugani and Rajnikant Chimanlal Diwan as members, to review and redress shareholder and investor grievances. For further information, see '*Our Management – Stakeholders' Relationship Committee*' on page 246. The Promoter Selling Shareholders have authorised the Company Secretary and Compliance Officer of our Company, and the Registrar to the Offer to redress any complaints received from

Bidders in respect of their respective portion of Offered Shares.

Disposal of investor grievances by listed Group Companies and Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Group Company is not listed on any stock exchange, and, therefore, there are no investor complaints pending against them. Further, as on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not applied to SEBI for any exemption from complying with any provisions of the securities laws since its incorporation.

SECTION VIII: OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares offered, allotted and transferred in the Offer will be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, the Memorandum of Association, the Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus and the Prospectus, the Bid-cum-Application Form, the Revision Form, the CAN, the Abridged Prospectus and other terms and conditions as maybe incorporated in the Allotment Advice and other documents and certificates that may be executed in respect of the Offer. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating the issue of capital and listing and trading of securities, issued from time to time, by the SEBI, GoI, Stock Exchanges, the RoC, the RBI and /or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and /or regulatory authority while granting approval for the Offer.

The Offer

The Offer comprises a Fresh Issue and an Offer for Sale by our Company and the Promoter Selling Shareholders. For details in relation to the sharing of Offer expenses between our Company and the Promoter Selling Shareholders, please see section titled '*Objects of the Offer*' on page 101.

Ranking of the Equity Shares

The Equity Shares being offered, Allotted and transferred in the Offer will be subject to the provisions of the Companies Act 2013, the Memorandum of Association, the Articles of Association, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA and SCRR and will rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of dividends and other corporate benefits, if any, declared by our Company. The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For more information, see '*Description of Equity Shares and Main Provisions of the Articles of Association*' on page 457.

Mode of Payment of Dividend

Our Company will pay dividend, if declared, to our equity shareholders, as per the provisions of the Companies Act 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the GoI in this respect. Any dividends declared after the date of Allotment in this Offer will be received by the Allottees, for the entire year, in accordance with applicable law. For more information, see '*Dividend Policy*' and '*Description of Equity Shares and Main Provisions of the Articles of Association*' on pages 260 and 457, respectively.

Face Value, Price Band and Offer Price

The face value of each Equity Share is ₹ 10, and the Offer Price is ₹ [●] per Equity Share. At any given point of time there will be only 1 denomination for the Equity Shares. The Floor Price of the Equity Shares is ₹ [●] and the Cap Price of the Equity Shares is ₹ [●] per Equity Share, being the Price Band. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size in the Offer will be decided by our Company, in consultation with the BRLM and shall be published at least 2 Working Days prior to the Bid/ Offer Opening Date, advertised in all editions of the [●], an English language national daily with wide circulation and all editions of [●], a Hindi language national daily with wide circulation, and [●] edition of [●] a Gujarati language daily newspaper (Gujarati being the regional language of Vadodara, Gujarat where our Registered Office is located), at least 2 Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid cum Application Forms available at the website of the Stock Exchanges. The Offer Price shall be determined by our Company, in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosures and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations, subject to foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, SEBI Listing Regulations, our Memorandum of Association and the Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see '*Description of Equity Shares and Main Provisions of Articles of Association'* on page 457.

Joint Holders

Subject to the provisions contained in the Articles of Association of our Company, where 2 or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act, and, the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares offered through the Red Herring Prospectus can be applied for in the dematerialised form only. In this context, the following agreements have been signed among our Company, the respective Depositories, and the Registrar to the Offer:

- Tripartite Agreement dated February 7, 2025 between NSDL, our Company and Registrar to the Offer; and
- Tripartite Agreement dated February 12, 2025 between CDSL, our Company and Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is 1 Equity Share of face value of ₹ 10 each. Allotment in this Offer will be only in electronic form in multiples of 1 Equity Share of face value of ₹ 10 each subject to a minimum Allotment of [●] Equity Shares of face value of ₹ 10 each. For the method of Basis of Allotment, see '*Offer Procedure*' on page 435.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Mumbai, India.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, and rules framed thereunder read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the Sole Bidder, or the First Bidder along with other joint Bidders, may nominate any 1 person in whom, in the event of the death of Sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form. A buyer will be entitled to make a fresh nomination/ cancel nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized form, there is no requirement to make a separate nomination with our Company. Nominations registered with respective depository participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective depository participant.

Bid/Offer Programme

BID/ OFFER OPENS ON*	[●]
BID/ OFFER CLOSES ON	[●]**^

**Our Company in consultation with the BRLM, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 Working Day prior to the Bid/ Offer Opening Date.*

***Our Company, in consultation with the BRLM, may consider closing the Bid/Offer Period for QIBs 1 Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

^*UPI mandate end time and date shall be at 5:00 pm on Bid/ Offer Closing Date.*

An indicative timetable in respect of the Offer is set out below:

Event	dicative Date
Bid/ Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account*	On or about [●]
Credit of the Equity Shares to depository accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

**In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding 2 Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated for causing such delay in unblocking in accordance with applicable law. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, investors shall be entitled to compensation in the manner specified in the SEBI Circular no.*

SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) in case of delays in resolving investor grievances in relation to blocking/unblocking of fund and the provisions shall also be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable) and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 shall be deemed to be incorporated in the agreements to be entered into by and between the Company, the Promoter Selling Shareholders and the relevant intermediaries, to the extent applicable.

The above timetable is indicative and does not constitute any obligation on our Company or the Promoter Selling Shareholders or the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within 3 Working Days of the Bid/ Offer Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

The Offer Procedure is subject to change based on any revised SEBI circulars that are issued or are effective or become applicable, after filing of this Draft Red Herring Prospectus.

Submission of Bids (other than Bids from Anchor Investors):

Bid/ Offer Period (except the Bid/ Offer Closing Date)	
Submission and revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
Bid/ Offer Closing Date*	
Submission of electronic applications (Online ASBA through 3-in-1 accounts) - For Retail Individual Bidders and Eligible Employees	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of electronic applications (Bank ASBA through Online channels like internet banking, mobile banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of electronic applications (Syndicate non-retail, non-individual applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of physical applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of physical applications (Syndicate non-retail, non-individual applications where Bid Amount is more than ₹0.50 million	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ revision/cancellation of Bids	
Upward revision of Bids by QIBs and Non-Institutional Bidders categories#	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Offer Closing Date

* *UPI mandate end time and date shall be at 5:00 pm on Bid/ Offer Closing Date*.
# *QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.*

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

a) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

b) Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/ Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/ Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under the Offer. Bids and any revision in Bids will only be accepted on Working Days. Bidders may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. Neither our Company, nor any member of the Syndicate is liable for any failure in uploading or downloading the Bids due to faults in any software / hardware system or otherwise.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Offer Period. The revision in the Price Band shall not exceed 20% on either side, i.e., the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, provide that the cap of the Price Band shall be at least 105% of the Floor Price. Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/ Offer Period shall be extended for at least 3 additional Working Days after such revision, subject to the Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of 1 Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the BRLM and at the terminals of the members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable.

Withdrawal of the Offer

Our Company in consultation with the BRLM, reserve the right not to proceed with the Offer at any time after the Bid/Offer Closing Date but before Allotment. In such an event, our Company will issue a public notice within two days from the Bid/ Offer Closing Date or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLM, through the Registrar to the Offer, will instruct the SCSBs or the Sponsor Banks, as the case may be, to unblock the bank accounts of the ASBA Bidders and the Escrow Collection Bank within one Working Day from the day of receipt of such instruction and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company withdraws the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a public offering of Equity Shares, our Company will file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company will apply for only after Allotment and within 2 Working Days of the Bid/ Offer Closing Date or such other time period as prescribed under applicable law.

Minimum Subscription

If our Company does not receive the minimum subscription in the Offer equivalent to at least 10% post Offer paid up Equity Share capital of our Company (the minimum number of securities as specified under Rule 19(2)(b) of the SCRR), including through devolvement of Underwriters, as applicable, within 60 days from the date of Bid/ Offer Closing Date on the date of closure of the Offer or; the minimum subscription of 90% of the fresh Offer portion through Offer Document on the date of closure of the Offer; or withdrawal of applications; or after technical rejections; or if the listing or trading permission is not obtained from the stock exchanges for the securities so issued under the issue document, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable. If there is a delay beyond the prescribed time, our Company, and every Director of our Company, who are officers in default, shall pay interest at the rate of 15% per annum.

Further, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 49(1) of the SEBI ICDR Regulations failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

In the event of achieving aforesaid minimum subscription, however, there is under-subscription in achieving the total Offer size, the Equity Shares will be Allotted in the following order:

a) such number of equity shares will be first Allotted by our Company such that 90% of the Offer portion is subscribed; and

b) once Equity Shares have been allotted as per (a), such number of Equity Shares will be allotted by our Company towards the balance 10% of the Offer portion.

Arrangement for Disposal of Odd Lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be 1 Equity Share of face value of ₹ 10 each, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restrictions on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Offer capital of our Company, minimum Promoter's contribution and the Anchor Investor lock-in and except as provided in the Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on transmission of shares / debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see '*Description of Equity Shares and Main Provisions of the Articles of Association*' on page 457.

Option to receive Equity Shares in Dematerialised Form

Pursuant to Section 29 of the Companies Act, Allotment of Equity Shares to successful Bidders will only be in the dematerialised form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialised segment of the Stock Exchanges

Authority for the Offer

The Offer has been authorised by our Shareholders pursuant to a special resolution dated March 6, 2025, and a resolution of our Board dated March 5, 2025. Further, our Board has taken on record the approval for the Offer for Sale by the Promoter Selling Shareholders pursuant to its resolution dated March 5, 2025.

This Draft Red Herring Prospectus has been approved by our Board pursuant to its resolution dated March 13, 2025.

OFFER STRUCTURE

The Offer is of up to [●] Equity Shares of face value of ₹ 10 each for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million, comprising of Fresh Issue of [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 1,900.00 million by our Company and an Offer for Sale of up to 7,155,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] million by the Promoter Selling Shareholders. The Offer is being made through the Book Building Process.

The Offer shall constitute [●] % of the post-Offer paid-up Equity Share capital of our Company.

The face value of Equity Shares is ₹ 10 each.

Particulars	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/allocation*(2)	Not more than [●] Equity Shares of face value of ₹ 10 each.	Not less than [●] Equity Shares of face value of ₹ 10 each available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders(s)	Not less than [●] Equity Shares of face value of ₹ 10 each available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer size available for Allotment/allocation	Not more than 50% of the Offer shall be available for allocation to QIBs. However, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs.	Not less than 15% of the Offer or the Net Offer less allocation to QIB Bidders and Retail Individual Bidder(s) will be available for allocation, out of which: i. one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and ii. two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 1.00 million. Provided that the unsubscribed portion in either of the sub-categories specified above may be allocated to applicants in the other sub-category of Non-Institutional Bidders	Not less than 35% of the Offer or Offer less allocation to QIBs and Non-Institutional Bidders will be available for allocation

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
Basis of Allotment/allocation if respective category oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares of face value of ₹ 10 each shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares of face value of ₹ 10 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (of up to [●] Equity Shares of face value of ₹ 10 each) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Category shall be subject to the following: (a) One-third of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹ 0.2 million and up to ₹ 1 million; and (b) Two-thirds of the Non-Institutional Category will be available for allocation to Bidders with a Bid size of more than ₹ 1 million. The unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors The allotment of specified securities to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability in the Non-Institutional Category, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified this regard in Schedule XII of the SEBI ICDR Regulations. For details, see "*Offer Procedure*" on page 435.	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis. For details, see *'Offer Procedure'* on page 101.
Mode of Bid^	Only through the ASBA process (excluding the UPI Mechanism) except for Anchor Investors	Only through the ASBA process (including UPI Mechanism for Bids up to ₹ 0.50 million)	Only through the ASBA process (including the UPI Mechanism)
Minimum Bid	[●] Equity Shares of face value of ₹ 10 each and in multiples of [●] Equity Shares of face value of ₹ 10 each thereafter so that the	Such number of Equity Shares of face value of ₹ 10 each and in multiples of [●] Equity Shares of face value of ₹ 10 each so	[●] Equity Shares of face value of ₹ 10 each

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders
	Bid Amount exceeds ₹ 0.20 million.	that the Bid Amount exceeds ₹ 0.20 million.	
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 10 each not exceeding the Offer Size (excluding the Anchor Investor Portion), subject to applicable limits under applicable law.	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 10 each not exceeding the Offer Size (excluding the QIB Portion), subject to applicable limits under applicable law.	Such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 10 each so that the Bid Amount does not exceed ₹ 0.20 million.
Mode of allotment	Compulsorily in dematerialised form.		
Bid Lot	[●] Equity Shares of face value of ₹ 10 each and in multiples of [●] Equity Shares of face value of ₹ 10 each thereafter.		
Allotment Lot	A Minimum of [●] Equity Shares of face value of ₹ 10 each and in multiples of 1 Equity Share of face value of ₹ 10 each thereafter.		
Trading Lot	1 Equity Share of face value of ₹ 10 each.		
Who can apply[(3)]	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial banks, mutual funds registered with SEBI, Eligible FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, state industrial development corporation, multilateral and bilateral development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹ 250.00 million, pension fund with minimum corpus of ₹ 250.00 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013 in accordance with applicable law and National Investment Fund set up by the Government, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and systemically important non-banking financial companies	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies and family offices which are recategorized as category II FPIs and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta) applying for Equity Shares such that the Bid amount does not exceed ₹ 0.20 million in value.

Particulars	QIBs[(1)]	Non-Institutional Bidders	Retail Individual Bidders
Terms of Payment	**In case of Anchor Investors:** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids.[(4)(5)] **In case of all other Bidders**: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidders (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism (for UPI Bidders) that is specified in the ASBA Form at the time of submission of the ASBA Form.		

** Assuming full subscription of the Offer.*

^SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, the Stock Exchanges shall, for all categories of investors viz. QIBs, Non-Institutional and Retail Individual Investors, and also for all modes through which the applications are processed, accept the ASBA applications in the electronic book building platform only with a mandatory confirmation on the application monies blocked.

(1) *Our Company in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor, and (iii) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof will be permitted, subject to minimum allotment of ₹50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹100 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors, which price shall be determined by our Company in consultation with the BRLM in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being made to other Anchor Investors. For further details, see 'Offer Procedure' on page 435.*

(2) *Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be Allotted on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders, out of which one-third of the Non- Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 1.00 million, and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.*

(3) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see 'Terms of the Offer' on page 423.*

(4) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The*

signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.

(5) *Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor pay-in date as mentioned in the CAN.*

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For details, see '*Terms of the Offer*' on page 423.

Bids by FPIs with certain structures as described under '*Offer Procedure - Bids by FPIs*' on page 443 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Note: Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Share.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (**General Information Document**) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

*SEBI through the UPI Circulars no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 has introduced an alternate payment mechanism using Unified Payments Interface (**UPI**) and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by UPI Bidders through intermediaries from January 1, 2019. The UPI Mechanism for UPI Bidders applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days (**UPI Phase I**).*

*With effect from July 1, 2019, SEBI vide its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with Circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 for applications by UPI Bidders through Designated Intermediaries (other than SCSBs), as superseded by SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (**UPI Phase II**). Subsequently, however, SEBI vide its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, as superseded by SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023, extended the timeline for implementation of UPI Phase II till further notice. However, given the uncertainty due to the COVID19 pandemic, SEBI vide its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, as superseded by SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), SEBI decided to continue with the UPI Phase II till further notice. Thereafter, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (**UPI Phase III**). The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any further circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This Circular is applicable for initial public offers opening on or after May 1, 2021 except as amended pursuant to SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), and the provisions of this Circular, are deemed to form part of this Draft Red Herring Prospectus. Furthermore, pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹5,00,000 shall use the UPI Mechanism.*

*The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (**SCSBs**) only after such banks provide a written confirmation on compliance SEBI Circular no.*

SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable).

Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

Book Building Procedure

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations, in accordance with Regulation 6(1) of the SEBI ICDR Regulations") wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. Further, in the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) 1/3rd of such portion shall be reserved for applicants with application size of more than ₹ 0.20 million and up to ₹ 1.00 million; and (b) 2/3rd of such portion shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except in the QIB Portion would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company and the Promoter Selling Shareholders in consultation with the BRLM and the Designated Stock Exchange subject to applicable laws. Under-subscription, if any, in the QIB Portion, will not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID and the Client ID and the PAN and UPI ID (for UPI Bidders Bidding through the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press releases dated June 25, 2021 and September 17, 2021.

Phased implementation of UPI

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by UPI Bidders through intermediaries with the objective to reduce the time duration from public issue closure to listing from 6 Working Days to up to 3 Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implemented the UPI payment mechanism in 3 phases in the following manner:

a) **Phase I**: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of 5 main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, an RII also had the option to submit the ASBA Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be 6 Working Days.

b) **Phase II**: This phase has become applicable from July 1, 2019. SEBI through its Circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 (SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 ((to the extent applicable))) decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Further, SEBI through its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (as superseded by SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable)) decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the physical ASBA Form by an RII through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be 6 Working Days during this phase.

c) **Phase III**: Pursuant to SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (**T+3 Circular**). The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Circular as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

   Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the applicable law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post-Offer BRLM will be required to compensate the concerned investor.

   Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The Offer will be made under UPI Phase III of the UPI Circular.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders using the UPI.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public issues where the application amount is up to ₹ 0.50 million shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

i. a Syndicate Member;

ii. a stockbroker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);

iii. a Depository Participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);

iv. a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least 1 day prior to the Bid/Offer Opening Date.

For Anchor Investors, the Anchor Investor the Bid cum Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. UPI Bidders shall Bid in the Offer through the UPI Mechanism. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

All ASBA Bidders must provide either (i) bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form; or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Form that does not contain such details are liable to be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection.

Retail Individual Investors submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to Bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bids submitted by Retail Individual Investors with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. UPI Bidders using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

For all IPOs opening on or after September 1, 2022, as specified in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors viz. QIBs, Non-Institutional Investors and Retain Individual Investors, and also for all modes through which the applications are processed.

Since the Offer is made under Phase III, ASBA Bidders may submit the ASBA form in the manner below:

a. RIBs (other than the UPI Bidders using the UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

b. UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

c. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions	[●]
Anchor Investors	[●]

* *Excluding electronic Bid cum Application Forms*

Notes:

(1) Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLM.

The Equity Shares offered in the Offer have not been and will not be registered, listed, or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offer and sales occur.

In case of ASBA Forms, Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges.

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

Subsequently, for ASBA Forms (other than UPI Bidders using UPI Mechanism), Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate a request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the issuer bank. The Sponsor Bank and the Bankers to the Offer shall provide the audit trail to the BRLM for analysing the same and fixing liability.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on a daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank on a continuous basis.

In accordance with BSE Circular no: 20220803-40 and NSE Circular no: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Banks shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5.00 p.m. on the Bid/Offer Closing Date (**Cut-Off Time**). Accordingly, UPI Bidders Bidding using the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. For ensuring timely information to investors, SCSBs shall send alerts as specified in SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable).

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation on compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable).

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

ELECTRONIC REGISTRATION OF BIDS

1. The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.

2. On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as will be disclosed in the Red Herring Prospectus.

3. Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5:00 pm on the Bid/ Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Participation by the Promoter, the members of our Promoter Group, the BRLM, associates and affiliates of the BRLM and the Syndicate Members and the persons related to the Promoters, the members of our Promoter Group, BRLM and the Syndicate Members

The BRLM and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLM and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds, AIFs or FPIs other than individuals, corporate bodies and family offices which are associates of the BRLM or pension funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associates of the BRLM, neither the BRLM nor its respective associates can apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an 'associate of the Lead Manager' if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLM.

Further, the Promoters and the members of our Promoter Group shall not participate by applying for Equity Shares in the Offer, except in accordance with the applicable law. Furthermore, persons related to the Promoters and the members of our Promoter Group shall not apply in the Offer under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders' agreement or voting agreement entered into with any of the Promoters or the members of our Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoters or the members of our Promoter Group of our Company.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations and in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below:

1. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.

2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.

3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

4. Bidding for Anchor Investors will open 1 Working Day before the Bid/Offer Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.

5. Our Company, in consultation with the BRLM, may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

    a. maximum of 2 Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;

    b. minimum of 2 and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and

    c. in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of 5 such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.

6. Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Offer Opening Date, through intimation to the Stock Exchange.

7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

8. If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Allocation Price shall still be the Anchor Investor Offer.

9. 50% Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment and the remaining 50% of the Equity Shares shall be locked-in for a period of 90 days from the date of Allotment.

10. Neither the BRLM or any associate of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities which are associate of the BRLM or FPIs, other than individuals, corporate bodies or family offices which are associate of the BRLM or pension funds sponsored by entities which are associates of the BRLM nor any 'person related to the Promoters or the members of our Promoter Group' shall apply in the Offer under the Anchor Investor Portion.

11. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

12. For more information, see the General Information Document.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company, in consultation with BRLM reserve the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds, exchange traded fund sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders bidding through the UPI Mechanism) to block their Non-Resident External Accounts (**NRE Account**), or Foreign Currency Non-Resident Accounts (**FCNR Account**), and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders bidding through the UPI Mechanism) to block their Non-Resident Ordinary (**NRO**) accounts for the full Bid amount, at the time of submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA Regulations.

Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts. Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

For details of restrictions on investment by NRIs, see '*Restrictions on Foreign Ownership of Indian Securities*' on page 455.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: 'Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta'. Bids by HUFs will be considered at par with Bids from individuals.

Bids by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI or an investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control) shall be below 10% of our post-Offer Equity Share capital on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be reclassified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLM, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for Offer procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

1. such offshore derivative instruments are issued only by persons registered as Category I FPIs;

2. such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;

3. such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and

4. such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (1) to (4)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager (MIM Structure) structure;

- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;

- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;

- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager.

- Multiple branches in different jurisdictions of foreign bank registered as FPIs;

- Government and Government related investors registered as Category 1 FPIs; and

- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned 7 structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

For details of investment by FPIs, see '*Restrictions on Foreign Ownership of Indian Securities*' on page 455. Participation of FPIs in the Offer shall be subject to the FEMA Rules.

Bids by SEBI registered Alternative Investment Funds, Venture Capital Funds and Foreign Venture Capital Investors

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, (**SEBI AIF Regulations**) prescribe, amongst others, the investment restrictions on AIFs. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations, *inter alia* prescribe the investment restrictions on FVCIs registered with SEBI.

The holding in any company by any individual VCF registered with SEBI should not exceed 25% of the corpus of the VCF. Further, FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings. Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. However, large value funds for accredited investors of Category I AIFs and Category II AIFs may invest up to 50% of the investible funds in an investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. However, large value funds for accredited investors of Category III AIFs may invest up to 20% of the investible funds in an investee company. Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA Rules, amended from time to time.

All Non-Resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company in consultation with BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLM, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (**Banking Regulation Act**), and Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt, or to protect the bank's interest on loans/investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. Bids by banking Companies should not exceed the investment limits prescribed for them under the applicable laws.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, the Company in consultation with BRLM, reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under Regulation 9 the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 **(IRDA Investment Regulations**), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid-cum Application Form. Failing this, our Company, in consultation with BRLM, reserve the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with BRLM reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLM, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company in consultation with the BRLM, may deem fit.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM reserve the right to reject any Bid, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. Our Company and the BRLM is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in the Red Herring Prospectus, when filed.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of 3 Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLM is cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, all editions of the [●] , an English language national daily with wide circulation, all editions of [●], a Hindi language national daily with wide circulation, and [●] edition of [●] a Gujarati language daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located). Our Company shall, in the pre-Offer advertisement state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company intends to enter into an Underwriting Agreement with the Underwriters on or after the determination of the Offer Price, but prior to the filing of the Prospectus. After signing the Underwriting

Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer Size and underwriting arrangements and would be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise or withdraw their Bid(s) until the Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

Do's:

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder bidding using the UPI Mechanism in the Bid cum Application Form and if you are a UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle) in the Bid cum Application Form;

5. UPI Bidders bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate, Sub-Syndicate members, Registered Brokers, RTA or CDP;

7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries. Ensure that you use only your own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer;

8. If the first Bidder is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number in the Bid cum Application Form (for all Bidders other than UPI Bidders bidding using the UPI Mechanism);

9. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

10. Ensure that you request for and receive a stamped acknowledgement counterfoil or acknowledgment specifying the application number as a proof of having accepted Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;

12. UPI Bidders bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

13. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the link available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for SCSBs and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 for mobile applications or at such other websites as may be prescribed by SEBI from time to time;

14. UPI Bidders who wish to Bid using the UPI Mechanism should submit their Bids with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the Bid Amount in the UPI Bidder's ASBA Account;

15. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

16. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. of the Working Day immediately after the Bid/Offer Closing Date;

17. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

18. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/Dop/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular no. MRD/DoP/SE/Cir- 8 /2006 dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in 'active status'; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

19. Bidders should ensure that their PAN is linked with their Aadhaar and that they are in compliance with the notification dated February 13, 2020, issued by the Central Board of Direct Taxes and the subsequent press releases, including press releases dated June 25, 2021 and September 17, 2021;

20. Ensure that the Demographic Details are updated, true and correct in all respects;

21. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

22. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

23. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

24. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;

25. Ensure that Bids above ₹ 5,00,000 submitted by ASBA Bidders are uploaded only by the SCSBs;

26. Since the Allotment will be in demat form only, ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;

27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

28. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form; and

29. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid for a Bid Amount exceeding ₹ 0.2 million (for Bids by Retail Individual Bidders);

3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

7. Do not submit the Bid for an amount more than funds available in your ASBA account;

8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;

9. If you are a UPI Bidder using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

10. Anchor Investors should not Bid through the ASBA process;

11. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

12. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

13. Do not submit the General Index Register (GIR) number instead of the PAN;

14. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

15. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

16. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

17. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

18. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

19. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

20. Do not Bid for more Equity Shares than what is specified by respective Stock Exchange for each category;

21. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Offer Closing Date;

22. Do not submit your Bid after 5.00 pm on the Bid/Offer Closing Date;

23. In case of ASBA Bidders (other than 3-in-1 Bids), the Syndicate Members shall ensure that they do not upload any Bids above ₹ 0.5 million;

24. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;

25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIB may revise or withdraw their Bids on or before the Bid/Offer Closing Date;

26. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations. If you are a UPI Bidder using UPI Mechanism, do not submit the ASBA Form directly with SCSBs;

27. If you are a UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;

28. Do not Bid if you are an OCB;

29. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/ or mobile applications which is not mentioned in the list provided on the SEBI website are liable to be rejected;

30. Do not submit the Bid cum Application Forms to any non-SCSB bank; and

31. Do not submit a Bid cum Application Form with third party ASBA Bank Account or UPI ID (in case of Bids submitted by UPI Bidders using the UPI Mechanism).

For helpline details of the Book Running Lead Manager pursuant to the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable), see '*General Information - Book Running Lead Manager*' on page 75.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

In case of any pre-Offer or post Offer related issues regarding demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Secretary and Compliance Officer and the Registrar, see '*General Information*' on page 74. For details of grounds for technical rejections of a Bid cum Application Form, see the General Information Document.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);

6. ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;

7. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

8. Bids submitted without the signature of the First Bidder or sole Bidder;

9. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

11. GIR number furnished instead of PAN;

12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals; and

13. Bids accompanied by stock invest, money order, postal order or cash.

Further, in case of any pre-offer or post offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer, and the Registrar to the Offer. For details of the Company Secretary and Compliance Officer, and the Registrar to the Offer., see '*General Information*' on page 74.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding 4 Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the Basis of Allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer through the Offer document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Offer to public may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the Retail Individual Investors, Non-Institutional Investors and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

The allotment to each Non-Institutional Investors shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis. The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Portion, shall be subject to the following, and in accordance with the SEBI ICDR Regulations: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for Non-Institutional Investors with an application size of more than ₹ 0.20 million and up to ₹ 1 million, and (ii) two-third of the portion available to Non- Institutional Bidders shall be reserved for Non-Institutional Investors with application size of more than ₹ 1 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLM, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

i. In case of resident Anchor Investors: '[●]'

ii. In case of Non-Resident Anchor Investors: '[●]'

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections from Anchor Investors.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated February 7, 2025, among NSDL, our Company and the Registrar to the Offer.
- Tripartite Agreement dated February 12, 2025, among CDSL, our Company and Registrar to the Offer.

Undertakings by our Company

Our Company undertakes the following:

1. That the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

2. That all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within 3 Working Days of the Bid/Offer Closing Date or such other time as may be prescribed;

3. That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

5. That if our Company does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within 2 days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

6. That if our Company, in consultation with the BRLM, withdraws the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company subsequently decides to proceed with the Offer thereafter;

7. Minimum Promoters' Contribution shall be brought in advance before the Bid/Offer Opening Date;

8. That adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;

9. No further Offer of Equity Shares shall be made until the Equity Shares issued or offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc; and

10. That if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period.

Utilisation of Offer Proceeds

Our Board confirm that all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act and the details of all monies utilised out of the Offer shall be disclosed, and continued to be disclosed till the time any part of the Offer proceeds reman unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised. Details of all monies unutilised, shall be disclosed under an appropriate head in the balance sheet of our Company indicating the from in which such unutilised monies have been invested.

The Company and the Promoter Selling Shareholders, specifically confirm and declare that all monies received out of the Offer shall be transferred to a separate bank account other than the bank account referred to in sub-section 3 of Section 40 of the Companies Act, 2013

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act which is reproduced below:

'Any person who –

(i) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(ii) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(iii) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.'

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than 6 months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to 3 times such amount (provided that where the fraud involves public interest, such term shall not be less than 3 years). Further, where the fraud involves an amount less than ₹ 1 million or 1% the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to 5 years or with fine which may extend to ₹ 5 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (**FDI**) through press notes and press releases.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (**Consolidated FDI Policy**), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The Consolidated FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

As per the Consolidated FDI Policy, FDI in companies engaged in manufacturing, which is the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such company under the automatic route.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, please see section titled '*Offer Procedure – Bids by Eligible NRIs*' and '*Offer Procedure – Bids by FPIs*' on page 442 and 443, respectively.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of, and in accordance with the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non- debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 which came into effect on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Bid/Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. For details, see '*Offer Procedure*' on page 435. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/Offer Period. In accordance with the FEMA NDI Rules, participation by non-residents in the Offer is restricted to participation by (i) FPIs under Schedule II of the FEMA Non-debt Instruments Rules, in the Offer subject to limit of the individual holding of an FPI below 10% of the post-Offer paid-up capital of our Company on a fully diluted basis and the aggregate limit for FPI investment currently not exceeding the sectoral or statutory cap; and (ii) Eligible NRIs only on non-repatriation basis under Schedule IV of the FEMA NDI Rules.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such issue and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see '*Offer Procedure – Bids by Eligible NRIs*' and '*Offer Procedure - Bids by FPIs*' on page 442 and 443, respectively.

The above information is given for the benefit of the Bidders. Our Company, our Promoters, our Directors, the Promoter Selling Shareholders and the BRLM are not liable for any amendments, modification, or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for which do not exceed the applicable limits under laws and regulations."

SECTION IX: DESCRIPTION OF EQUITY SHARES AND MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013

ARTICLES OF ASSOCIATION

OF

ALLCHEM LIFESCIENCE LIMITED

1) The regulations contained in Table 'F' of Schedule I of Companies Act 2013 shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles

INTERPRETATION

2)

(i) In the interpretation of these Articles, the following expressions shall have the following meanings unless repugnant to the subject or context:

a) "**The Company**" or "**This Company**" means **ALLCHEM LIFESCIENCE LIMITED.**

b) "**The Act**" means the Companies Act, 2013 including any statutory amendments thereto and the rules and Schedules made there under, and notified from time to time.

c) "**Auditors**" means and include those persons appointed as such for the time being by the Company.

d) "**Beneficial Owner**" means and include beneficial owner as defined in clause (a) sub-Section (1) of Section 2 of the Depositories Act, 1996 or such other Act as may be applicable.

e) "**Board**" or "**Board of Directors**" means the collective body of the Directors of the Company, as constituted from time to time, in accordance with Law, and the provisions of these Articles.

f) **"Board Meeting"** means any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with Law and the provisions of these Articles;

g) "**Capital" means** the share capital for the time being raised or authorized to be raised, for the purpose of the company.

h) "**The Chairman**" means the Chairman of the Board of Directors for the time being of the Company.

i) "**Charge**" means an interest or lien created on the property or assets of a Company or any of its undertakings or both as security and includes a mortgage.

j) **"Committees"** means committees constituted by the Board of Directors of the Company from time to time;

k) "**Debentures**" includes debenture-stock, bonds or any other instrument of a Company evidencing a debt, whether constituting a charge on the assets of the company or not.

l) "**Depositories Act**" means the Depositories Act, 1996 and includes any statutory modification(s) or re-enactment thereof for the time being in force.

m) "**Depository**" means a Depository as defined in clause (e) sub- section (1) of section 2 of the Depositories Act, 1996.

n) "**Director**" means a director appointed to the Board of a company.

o) “**Dividend**” includes any interim dividend.

p) **“E-voting”** means voting by electronic means as prescribed under the Act.

q) **"Employees' Stock Option"** means the option given to the directors (except Independent Directors), officers or employees of a company, or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares at a future date at a pre-determined price

r) **“Equity Share Capital”** means the total issued and paid-up equity share capital of the Company, calculated on a Fully Diluted Basis;

s) “**Executor**” or “**Administrato**r” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.

t) "**Legal Representative**" means a person who in law represents the estate of a deceased Member.

u) “**Members**” in relation to a Company, means;

    A. The subscriber to the memorandum of the company who shall be deemed to have agreed to become member of the company, and on its registration, shall be entered as member in its register of members;

    B. Every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company;

    C. Every person holding shares of the company and whose name is entered as a beneficial owner in the records of a Depository.

v) “**Meeting”** or “**General Meeting**” means a meeting of the members of the Company.

w) “**Annual General Meeting**” means a general meeting of the Members held in accordance with the provisions of Section 96 of the Act.

x) “**Extraordinary General Meeting”** means an extraordinary general meeting of the Members duly called and constituted and any adjourned holding thereof.

y) “**Month**” means a calendar month.

z) “**National Holiday”** means and includes a day declared as National Holiday by the Central Government.

aa) “**Office”** means the registered office for the time being of the Company.

bb) “**Ordinary or Special Resolution”** means an ordinary resolution, or as the case may be, special resolution referred to in Section 114 of the Act.

cc) “**Paid-up share capital**” or “**share capital paid up”** means such aggregate amount of money credited as paid up as its equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called.

dd) “**Proxy**” means an instrument whereby any person is authorized to attend a meeting and vote for a member at the general meeting on a poll and includes attorney duly constituted under the power of attorney.

ee) "**Register of Beneficial Owners**" means the register of members in case of shares held with a Depository in any media as may be permitted by law, including in any form of Electronic Mode

ff) "**The Register of Members**" means the Register of Members to be kept pursuant to Section 88 of the Act and includes Register of Beneficial Owners.

gg) "**The Registrar**" means the Registrar, an Additional Registrar, a Joint Registrar, a Deputy Registrar, or an Assistant Registrar, having the duty of registering Companies and discharging various functions under the Act.

hh) "**The Company's Regulations**" means the regulations for the time being for the management of the Company.

ii) "**Key managerial personnel**", in relation to a Company, means –

A. The Chief Executive Officer or the Managing Director or the Manager;

B. The Company secretary;

C. The Whole time director;

D. Chief Financial Officer;

E. such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board;

F. Such other officer as may be prescribed under the Act;

jj) "**Company Secretary**" or "**Secretary**" means a company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980 who is appointed by a company to perform the functions of a company secretary under this Act.

kk) "**Security**" means Shares, Debentures and/or such other securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956

ll) "**Share**" means a share in the share capital of a Company and includes stock

mm) "**The Seal**" means the common seal of the Company.

nn) "**The Statutes**" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.

oo) "**Year**" and "**Financial Year**" "Years" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2 (41) of the Act.

pp) Words importing the **singular number** include, where the context admits or requires, the plural number and vice versa.

qq) Save as aforesaid, **words or expressions contained in these Articles shall bear** the same meaning as in the Act or any statutory modifications thereof for the time being in force.

(ii) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

3) The Authorised Share Capital of the Company shall be of such amount as may be mentioned in the Capital Clause of the Memorandum of Association of the Company from time to time.

4) The Company in General Meeting may from time to time, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given as the Directors shall determine, and in particular, such shares may be issued with a preferential or qualified rights to dividends, and in the distribution of assets of the Company, and with a right of voting at general meetings of the Company in conformity with Sections 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 64 of the Act.

5) Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—

   (i) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:—

      (a) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or lessor days as may be prescribed in the Act and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

      (b) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right; (iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the company;

   (ii) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed; or

   (iii) `to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, subject to and in accordance with the Act and the Rules.

Nothing in this Article shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company: Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.

6) Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.

7) On the issue of redeemable preference shares under the provisions of Article 6 hereof, the following provisions shall take effect:-

   (i) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption.

   (ii) no such shares shall be redeemed unless they are fully paid.

(iii) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the shares capital of the Company shall, except as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.

8) The Company may (subject to the provisions of Sections 55 and 66 both inclusive, of the Act) from time to time by Special Resolution reduce its capital, any Capital Redemption Reserve Account or Share premium Account in any Manner for the time being authorized by law, and in particular capital may be paid off on the footing that it may be called upon against or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.

9) Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

10) The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.

11) The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.

12) Subject to the provisions of section 61 of the Act, the Company in General Meeting may from time to time sub-divide or consolidated its shares, or any of them, and the resolution whereby any shares sub-divided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some reference or special advantages as regards dividend, capital or otherwise over or as compared with the others or other, Subject as aforesaid, the Company in general Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its shares capital by the amount of the shares so cancelled.

AUTHORISING COMPANY TO BUY BACK ITS OWN SHARES

13) Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

SHARE AND CERTIFICATES AND VARIATION OF RIGHTS

14) Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons and in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section the Act) and at such time as they may from time to time think fit and with sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the directors thinks fit, and may issue ad allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

(i) Unless the shares have been issued in dematerialized form in terms of applicable laws, every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

(a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

(iv)

(a) Where a new certificate has been issued in pursuance of this Articles, particulars of every such share certificate shall be entered in a Register of renewed and duplicate certificate indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes in the Register of Members by suitable cross reference in the "Remarks" column.

(b) Every member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificates of shares shall be under the seal or the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that, in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holder.

15)

(i) If any share certificate be worn out, defected, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

(ii) The provisions of this Articles shall mutatis mutandis apply to debentures of the company.

16) Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as recognised in accordance with the Act) any other rights in respect of any share

except an absolute right to the entirety thereof in the registered holder. If any shares stands in the names of two or more persons, the person first named in the register shall be regards receipt of dividends or bonus or service of notice and all or any other matters connected with the company, except voting at meetings be deemed the sole holder thereof, but the joint holders of the share, shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares for all incidents thereof according to the company regulations.

17) Except as ordered by a Court of competent jurisdiction or as by law required, the company shall not bound to recognize any equitable, contingent, future or partial interest in any share, or (except provided) any rights in respect of a share other than absolute rights thereto, in accordance with these Article, in the person from time to time registered as the holder thereof, but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

18) If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.

19) None of the funds of the company shall be applied for the purchase of any share of the company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the company or in its holding company save as provided by section 67 of the Act.

20)

(i) any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

DEMATERIALISATION OF SECURITIES

21) The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Articles.

22) The Board or any Committee thereof shall be entitled to dematerialize Securities or to offer securities in a dematerialized form pursuant to the Depositories Act, 1996, as amended. The provisions of this Section will be applicable in case of such Securities as are or are intended to be dematerialized.

23) Every holder of or subscriber to Securities of the Company shall have the option to receive certificates for such securities or to hold the securities with a Depository. Such a person who is the Beneficial Owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any securities in the manner provided by the Depositories Act, 1996, and the Company shall, in the manner and within the time prescribed by law, issue to the Beneficial Owner the required certificates for the Securities.

24) If a person opts to hold his securities with the Depository, the Company shall intimate such Depository the details of allotment of the securities, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the securities.

25) All securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a Depository in respect of the securities held by on behalf of the Beneficial Owners.

26)

(i) Notwithstanding anything to the contrary contained in these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of Securities of the Company on behalf of the Beneficial Owner.

(ii) Save as otherwise provided in sub-clause above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(iii) Every person holding Securities of the Company and whose name is entered as the Beneficial Owner of securities in the record of the Depository shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the Securities which are held by a Depository and shall be deemed to be a Member of the Company.

27) Notwithstanding anything to the contrary contained in these Articles, where Securities of the Company are held in a Depository, the records of the beneficiary ownership may be served by such Depository on the Company by means of Electronic Mode or by delivery of floppies or discs.

28) Nothing contained in Section 56 of the Act or anything to the contrary contained in these Articles shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

29) Notwithstanding anything to the contrary contained in these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such Securities.

30) Notwithstanding anything to the contrary contained in these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to securities held with a Depository.

31) The Register and Index of Beneficial Owners maintained by Depository under the Depositories Act, 1996, as amended shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.

UNDERWRITING AND BROKERAGE

32) Subject to the provisions of section 40 of the Act:

(i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

33) The company may pay a reasonable sum for brokerage.

CALLS ON SHARES

34)

(i) Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share (or such other per cent. determined the Board or prescribed under applicable law) or be payable at less than one month or such other period prescribed under applicable law from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

35) A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

36) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

37)

(i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

38)

(i) sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

39) The Board

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the company.

LIEN

40) The company shall have a first and paramount lien:

(a) upon all share/debenture (not being a fully paid share/debenture), (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share/debenture; and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures.

(b) Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the company's lien If any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions or this Article.

(c) The fully paid up shares shall be free from all lien and in the case of partly paid up shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

41) The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made:

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

42)

(i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

43)

(i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

FORFEITURE OF SHARES

44) If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

45) The notice aforesaid shall:

(i) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(ii) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

46) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of forfeited shares and not actually paid before the forfeiture.

47) When any shares shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in any manner invalidated, by any omission or neglect to give such notice or to make any such entry as aforesaid.

48) The forfeiture of a share shall involve extinction, at the time of the forfeiture, of all interest in all claims and demands against the Company in respect of the share and all other rights, incidental to the share except only such of those rights as by these Articles are expressly saved.

49)

(i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

50)

(i) A person whose shares have been forfeited shall cease to be a member inrespect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies (calls, installments, interest and expenses) which, at the date of forfeiture, were presently payable by him to the company in respect of the shares and Board may enforce the payment thereof or any part thereof, without any deduction or allowance for the value for the shares at the time of forfeiture, but shall not be under any obligation to do so.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

51)

(i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favor of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

52) Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the company have been seen previously surrendered to it by the defaulting member) stand cancelled and became null and void and of no effect, and the Directors, shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons, entitled thereto.

53) The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

TRANSFER AND TRANSMISSION OF SHARES

54)

(i) The Instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

(iii) The Instrument of transfer shall be in writing and all provisions of Section 56 of the Act, and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

(iv) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document

55) The Board may, subject to the right of appeal conferred by section 58 decline to register:

(i) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(ii) any transfer of shares on which the company has a lien.

56) The Board may decline to recognise any instrument of transfer unless:

(i) the instrument of transfer is in the form as prescribed in rules made under sub-section *(1)* of section 56;

(ii) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(iii) the instrument of transfer is in respect of only one class of shares.

57) On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

58)

(i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

59)

(i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either:

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

60)

(i) the person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member of the marriage of a female member, or by any lawful means other than by a transfer in accordance with these presents may with the consent of Board of Directors (which shall not be under any obligation to give) upon producing such evidence that he sustains the character in respects of which he proposes to act under his article of his title, as the Board of Directors thinks sufficient, either be registered himself as holder of the shares or elect to have some person nominated by him and approved by the Board of Directors registered as such holder.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

61) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

62) No share shall in any circumstances be transferred to any infant, insolvent or persons of unsound mind.

63) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the shares and generally under and subject to such conditions and regulations as the board of Directors shall from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors. The Company shall also use a common form of transfer. Subject to applicable law, the Board may delegate the power of transfer of securities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s).

64) The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice, or referred thereto, in any book or the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may been entered or referred to in some book of the Company, but the company shall nevertheless be at liberty to regard and attend to any such notice and given effect thereto, if the Board of Directors shall so think fit.

65) Subject to the provisions of the Act, these Articles, or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to any shares or interest of a Member in or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

BOARD TO RECOGNIZE BENEFICIAL OWNERS OF SECURITIES

66) Notwithstanding anything to the contrary contained in these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Securities on behalf of a Beneficial Owner.

67) Save as otherwise provided hereinabove, the Depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it, and the Beneficial Owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of its securities held by a Depository.

68) Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears as the Beneficial Owner of the securities in the records of the Depository as the absolute owner thereof and accordingly the Company shall not be bound to recognise any benami, trust or equitable, contingent, future or partial interest in any Security or (except otherwise expressly provided by the Articles) any right in respect of a Security other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall have express or implied notice thereof.

NOMINATION

69) Every holder of Shares in, or Debentures of the Company may at any time nominate, in the manner prescribed under the Act, a person to whom his shares in or Debentures of the Company shall vest in the event of death of such holder.

70) Where the Shares in, or Debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or Debentures of the Company, as the case may be, held by them shall vest in the event of death of all joint holders.

71) Notwithstanding anything to the contrary contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such shares in or Debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in, or Debentures of the Company, the nominee shall, on the death of the shareholders or holder of Debentures of the Company or, as the case may be, on the death of all the joint holders become entitled to all the rights in the shares or Debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the provisions of the Act.

72) Where the nominee is a minor, it shall be lawful for the holder of the shares or holder of Debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any person to become entitled to the shares in or Debentures of the Company, in the event of his death, during the minority.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

73) Copies of the Memorandum and Articles of Association of the Company and of other documents referred to in Section 17 of the Act shall be sent by the Board to every Member at his request, within 7 days of the request, on payment of rupee one hundred for each copy

BORROWING POWER

74) The Board may, from time to time at its description subject to the provisions of Sections 179 and of the Act, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company, provided that the Board shall not without the sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.

75) The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it may think fit, and in particular by the issue of bonds, perpetual or redeemable, debentures or debenture-stock, or any mortgage, or other security on the undertaking of the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being.

76) Any debentures, debenture-stock, bonds or other securities may be issued at a premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting by a Special Resolution.

77) Save as provided in Section 56 of the Act no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the debentures.

78) If the Board refuses to register transfer of any debentures the company shall, within one month from the date on which the instrument of transfer was lodged with the Company send to the transferee and to the transferor notice of the refusal.

79) The Board shall cause a proper Register to kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirements of the Act in that behalf to be duly complied with, so far as they fail to be complied with by the Board.

80) The Company shall if at any time it issues debentures, keep a Register and Index of Debenture holders in accordance with Section 88 of the Act. The Company shall have the power to keep in any state or Country outside India a branch of Debenture-holders resident in that State or country.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

81) The Company in General Meeting may convert any paid-up shares into stock, and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interest, in the same manner and subject to the same regulations as, and subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstance will admit. The company may at any time reconvert any stock into paid-up shares of any denomination.

82) The holders of stock shall, according to the amount of stock held by them have the same rights, privileges and advantages as regards dividends, voting at meeting of the Company and matters as if they held the shares from which the stock arose, but no such privileges or advantage (except participation in the Dividends and profits of the Company and in the assets of winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

MEETINGS OF MEMBERS

83) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual general meetings shall be Extra-ordinary General Meetings. The first Annual General Meeting shall be held within a period of nine month from the date of closing of the first financial year of the Company and in any case, within a period of six months, from the date of closing of the year, provided that not more than fifteen months shall elapse between the date of one annual general meeting of a Company and that to the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the register under provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called during business hours, that is between 9.00 AM to 6.00 PM on any day that is not a National Holiday and shall be held at the registered office of the Company or at some other place within the city in which the registered office of the Company is situated, as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its Subsequent Annual General Meetings. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall be entitled to attend and to be heard at any General Meeting which he attends on any part of the business, concerns him as auditor. At every Annual General Meeting of the Company there shall be laid on the table the Director's Report (if not already incorporated in the Audited Statement of Accounts) the proxy Register with proxies and the Register shall be open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of Members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and submit the same to the Registrar in accordance with Section 92 and 137 of the Act.

84) The Board may, whenever it deems fit, call an extra ordinary general meeting of the Company.

85) The extraordinary general meeting shall be called by the Board, at the requisition in writing made by such number of members who hold, on the date of receipt of requisition, not less than one-tenth of such of paid-up capital of the Company as on the date carries the right of voting in regard to the matter in respect of which the requisition has been made.

86) Any valid requisition so made by members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the registered office of the Company, provided that such requisition may consist of several documents in loose form and each shall be signed by one or more requisistionists.

87) Upon the receipt of any such requisition the Board shall within twenty-one days from the date of receipt of a valid requisition in regard to any matter, proceed to call an extra ordinary general meeting for the consideration of that matter on a day not later than forty -five days from the date of receipt of such requisition. The requisitionists, or such of their number as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of the paid-up share capital of the Company as is referred to section 100 of the Act, whichever is less, may themselves call the meeting, but in either case, any meeting so called may be held within three months from the date of the delivery of the requisition as aforesaid.

88) Any reasonable expenses incurred by the requisitionist in calling an extraordinary meeting shall be reimbursed to the requisitionists by the company and the sums so paid shall be deducted from any fee or other remuneration under section 197 payable to such directors who were in default in calling the meeting.

89) Any meeting called under the foregoing Articles by the requisitionists shall be called and held in the same manner, as nearly as possible, as that in which meeting is to be called and held by the Board.

90) A general meeting of the Company may be called by giving not less than clear twenty-one days notice either in writing or through electronic mode in such manner as may be prescribed.
Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or in electronic mode as prescribed under Section 101 of the Act.

Notice shall, specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Article entitled to receive notice from the Company.

91) A notice calling the meeting shall be annexed with the statement setting out the following material facts concerning each item of special business to be transacted at a general meeting:

(i) The nature of concern or interest, financial or otherwise, if any, in respect of each items of

(a) Every director and the manager, if any;
(b) Every other key managerial personnel; and
(c) Relatives of the persons mentioned in sub-clause (i) and (ii) hereinabove;

(ii) Any other information and facts that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.

92) In the case of an Annual General Meeting, all business to be transacted thereat shall be deemed special, other than:
(i) the consideration of the financial statements, and the reports of the Board of Directors and auditors.

(ii) the declaration of any dividend.

(iii) the appointment of Directors in place of those retiring.

(iv) the appointment of, and fixing of the remuneration of, the auditors, and in case of any other meeting, all business shall be deemed to be special.

Provided, that where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two percent of the paid up share capital of the company, also be set out in the statement.

93) Any accidental omission to give notice to or the non-receipt of such notice as aforesaid by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.

94) Where any item of business refers to any document, which is to be considered at the meeting, the time and place where such document can be inspected shall be specified in the statement as referred in Article 79.

95) The notice of every meeting of the company shall be given to:

(i) every member of the Company, legal representative of any deceased member or the assignee of an insolvent member;

(ii) the auditor or auditors of the Company; and

(iii) every director of the Company.

96) No General Meeting, Annual or Extraordinary, shall be competent to enter upon discuss or transact any business, which has not been mentioned in the notice or notices upon which it was convened.

97) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.

98) A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.

99) If, at the quorum is not present within half-an-hour form the time appointed for holding a meeting of the company

(i) the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other date and such other time and place as the Board may determine; or

(ii) the meeting called by requisitionist under section 100 of the Act, shall stand cancelled.

Provided, that in case of an adjourned meeting or of a change of day, time or place of meeting under clause (i), the company shall give not less than three days' notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the company is situated.

If at the adjourned meeting also, a quorum is not present within half-an-hour from the time appointed for holding meeting, the members present shall be the quorum.

100) The Chairman (if any) of the Board shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board, or if at any meetings he shall not be present within fifteen minutes of the time appointed for holding such meeting, or if he shall be unable or unwilling to take the chair, then the directors present may choose one of their member to be the Chairman of the meetings. If no director be present or if all the director present decline to take the chair, then the Members present shall elect one of themselves to be the Chairman thereof on a show of hands. If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and the Chairman elected on a show of hands under sub-section (1) of section 104, shall continue to be the Chairman of the meeting until some other person is elected as Chairman as a result of the poll, and such other person shall be the Chairman for the rest of the meeting.

101) No business shall be discussed at any General Meeting except the election of a chairman, while the Chair is vacant.

102) The chairman with the consent of the members may adjourn any meeting from time to time and from place to place in the city in which it is held but, no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

VOTING RIGHTS AND PROXY

103) No member shall be entitled to vote either personally or by proxy, at any General Meeting or meeting of class of shareholders either upon show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or, in regard to which the Company has, and has exercised any right of lien.

104) Subject to the provisions of these Articles and without prejudice to any special privileges or restriction as to voting for the time being attached to any class of shares for the time being forming part of the Capital of the Company every member not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such meeting, and on show of hands every member present in person shall have one vote and upon a poll the voting rights of every member present in person or by proxy shall be in proportion to his shares of the paid-up equity share capital of the Company provided, however if any preference shareholder be present at any meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 47, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.

105) On a poll taken at meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him as the case may be need not if he votes, use all his votes or cast in the same way all the votes he used.

106) Subject to the provisions of these Articles votes may be given either personally or by proxy. A body corporate being a member may vote either by a proxy or by a representative duly authorized in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers including the rights to vote by proxy on behalf of the body corporate which he represents as the body could exercise if it were an individual member.

107) Any person entitled under these Articles to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the register holder of such shares provided that forty eight hours at least before the time for holding the or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

108) Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation or be signed by an officer or any attorney duly authorized by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meetings.

109) An instrument of proxy may appoint a proxy either for the purpose of particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

110) A member present by proxy shall be entitled to vote only on a poll.

111) A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

112) At any General Meeting, a Resolution put to the vote at the Meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result on a show of hands) demanded under section 109 or voting is carried out electronically:

(i) by the Chairman of the Meeting; or

(ii) by the member or Members present in person or by proxy and holding shares in the Company which confer a power to vote on the Resolution being not less than one-tenth of the total voting power in respect of the Resolution; or
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(iii) by any Member or Members present in person or by proxy and holding shares in the company on which as aggregate sum of Five Lakh Rupees has been paid up; or

(iv) by any Member or Members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up which is not less than one-tenth of the total sum paid on all the shares conferring that right.

Unless a poll be so demanded, a declaration by the chairman of the meeting that a resolution has, on a show of hands, been carried unanimously or by a particular majority, or lost or not carried by a particular majority and an entry to that effect in the book containing the minutes of the proceedings of the Meeting of the company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

113) In the case of an equality of votes, the Chairman shall both on a show of hands and at a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.

114) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of poll shall be sole judge of the validity of every vote tendered at poll.

115) If a poll is demanded as aforesaid the same shall, subject to Articles be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the city or town in which the office of the Company is for the time being situate and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

116) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers to scrutinize the vote given on the poll and to report thereon to time. Once the scrutinizers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutinizer from office and fill vacancies in the office of scrutinizer arising from each removal or from any other cause.

117) The demand for a poll except on the questions of the election of the Chairman and of an adjournment shall prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

118) If there be joint holders of any shares, any one of such person may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting, that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting, several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles to be deemed joint holders thereof.

119) A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy, if any member be a minor the vote in respect of his share or shares shall be by his guardian or any of his guardian if more than one to be selected in case of dispute by the Chairman of the meeting.

120) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

121)

(i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

122) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

123) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

124) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy of any power of attorney under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

125)

(i) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entire thereof in books kept for that purpose with their pages consecutively numbered.

(ii) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of such meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or liability of that Chairman within that period by a Director duly authorised by the Board for the purpose.

(iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(iv) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(v) All appointments of officers made at any meeting aforesaid shall be included in the minutes of the meetings.

(vi) Nothing herein contained shall require or be deemed to require the inclusion in such minutes of any matter which in the opinion of the Chairman of the meeting:

(a) is or could reasonably be regarded, as, defamatory of any person; or

(b) is irrelevant or immaterial to the proceeding; or

(c) is detrimental to the interest of the Company.

The Chairman of the meeting shall exercise on absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.

(vii) Any such minutes shall be evidence of the proceedings recorded therein.

(viii) The book containing that minutes of proceedings of general meetings shall be kept at the registered office of the Company and shall be open during business hours for such periods not being less in the aggregate than two hours in each day as the directors determine, to the inspection of any member without charge.

BOARD OF DIRECTORS

126)

(i) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Sections 2(10), 149, 162 and 152 of the Act, the company shall have a Board of Directors consisting of individuals as directors and shall have a minimum of three directors and a maximum of fifteen directors. Provided, that the Company in General Meeting by passing a special resolution, may appoint more than fifteen directors

(ii) The first directors of the Company were determined by the Subscribers to the Memorandum and Articles of Association of the Company.

(iii) Following are the Current Directors:

Mr. Bipin Kantilal Patel

Mr. Kantilal Ramanlal Patel

Ms. Aditi Bipin Patel

127) A Director of the Company shall not be bound to hold any Qualification Shares in the Company.

128) If at any time the company obtains any loans or any assistance in connection therewith by way of guarantee or otherwise from any person, firm, body corporate, local authority or public body (hereinafter called “the

institution") or if any time the Company issues any shares, debentures and enters into any contract or arrangement with the institution whereby the institution subscribes for or underwriters the issue of the Company's shares or debentures or provides any assistance to the Company in any manner and it is a term of the relative loan, assistance, contract or agreement that the institution shall have the right to appoint one or more nominee directors on the Board the Company, then provisions of Section 161 of the Act and subject to the term and conditions of such loan, assistance, contract or arrangement with the institution shall be entitled to appoint one or more nominee Director or Directors, as the case may be, to the Board of the company and to remove from office of Board of Directors, any Director so appointed and to appoint another in his place or in the place of Director so appointed who resigns or otherwise vacates his office. Any such appointment or removal shall be made in writing and shall be served at the office of the Company. The nominee Director or Directors so appointed shall neither be required to hold any qualification share nor be liable to retire by rotation and shall continue on office for so long as the relative loan, assistance, contract or arrangement as the case may be, subsists.

129) If it is provided by the Trust Deed, securing or otherwise in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the company, then in the case of any and every such issue of Debenture, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A debenture director shall not be appointed in his place. A debenture director shall not be liable to retire by rotation. A Debenture director shall not be bound to hold any qualification shares.

130) The Company shall have at least one director who has stays in India for total period of not less than one hundred and eighty-two days during the financial year.

131) The Company shall have at least two directors as Independent Directors in terms of provisions of Companies (Appointment and Qualification of Directors) Rules, 2014.

132) Every Independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an Independent Director, give a declaration that he meets the criteria of independence as provided in sub-section (6) of section 149 of the Act.

133) Subject of the provisions of section 152, an Independent Director shall hold office for a term upto five consecutive years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.

134) Notwithstanding anything contained hereof, no Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

135) The Board of Directors of the Company may, by resolution passed by the company in general meeting, appoint a person, not being a person holding any Alternate Directorship for any other director in the company, to act as an Alternate Director for a director during his absence for a period of not less than three months from India.
Provided that no person shall be appointed as an alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act.

Provided further that an Alternate Director shall not hold office for a period longer than that permissible to the Director in whose place he has been appointed and shall vacate office if and when the Director in whose place he has been appointed returns to India.
Provided also that if the term of office of the original director is determined before he so returns to India, any provisions in the Act or in these Articles for his automatic reappointment of any retiring Director in default of another appointment shall apply to the original Director and not to the Alternate Director.

136) Subject to the provisions of Section 161 and 152 of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be an additional Director, but so that the total number of Directors shall not, at any time exceed the maximum fixed under these Articles, and any such additional Director shall hold office only up to the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier.

137) Until otherwise determined by the Company in General Meeting, a Director shall not be required to hold any shares in the capital of the Company as his qualification.

138) Subject to the provisions of Sections 161, 152 and 169(7)) of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to act as a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date to which the Director is whose place he is appointed would have held office if it has not been vacated by him.

139)

(i) Subject to the provisions the section 197 and Schedule V, a Managing Director, Whole time Director or Manager shall be appointed and the terms and conditions of such appointment and remuneration, either be payable monthly or at a specified percentage of the net profits of the company or partly by one way and partly by the other, be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the company and by the Central Government in case such appointment is at variance to the conditions specified in that Schedule

Provided that a notice convening Board or general meeting for considering such appointment shall include the terms and conditions of such appointment, remuneration payable and such other matters including interest, of a Director or Directors in such appointments, if any.

(ii) Subject to the provisions of the Act, a Director who is neither in the whole-time employment nor a managing Director, may be paid remuneration either:

(a) by way of monthly payment or at a specified percentage of the net profits of the company or partly by one way or partly by another way;

(b) the sitting fee payable to a Director (including Managing Director or Whole time Director, if any), for attending each meeting of the Board or Committee thereof or for any other purpose whatsoever, shall not be more than the amount prescribed by the Act and Rules made thereunder.

Provided that for Independent Directors and Women Directors, the sitting fee shall not be less than the sitting fee payable to other directors

140) The Board may allow and pay to any Director who is not a bonafide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting, as above specified; and if any Director by called upon to go or resided out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any traveling or other expenses incurred in connection with business of the Company.

141) The continuing Directors may act notwithstanding any vacancy in their body but if and so long as their number is reduced below the minimum number fixed by these Articles hereof, the continuing Directors not being less than two, may act for the purpose of increasing the number of directors to the number or for summoning a General Meeting but no other purpose.

142) The office of a Director shall ipso facto be vacated if:

(i) he incurs any of the disqualifications specified in section 164 of the Act, 2013;

(ii) he absent himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;

(iii) he act in contravention of the provisions of Section184 of the Act, relating to entering into contracts or arrangements in which he is directly or indirectly interested;

(iv) he fails to disclose his interest in any contract or arrangements in which he is directly or indirectly interested, in contravention of the provisions of Section 184 of the Act;

(v) he becomes disqualified by an order of a court or the tribunal;

(vi) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months.
Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;

(vii) he has been removed in pursuance of the provisions of the Act;

(viii) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary, or associate company, ceases to hold such office or other employment in that company.

143) Company shall not enter into any contract or arrangements with a related party except with the consent of the Board of Directors with respect to:

(i) sale, purchase or supply of any goods or materials

(ii) selling or otherwise disposing of, or buying property of any kind;

(iii) leasing of property of any kind;

(iv) availing or rendering of any services;

(v) appointment of any agent for purchase or sale of goods, materials, services or property;

(vi) such related party's appointment to any or place of profit in the company, its subsidiary company or associate company; and

(vii) underwriting the subscription of any securities or derivatives thereof, of the company.
Provided that no contract or arrangement shall be entered into by the company in excess of the limit prescribed under, Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, except with the prior approval of the company by a resolution.

Provided further that no member of the company shall vote on such resolution, to approve any contract or arrangements which may be entered into by the company, if such member is a related party

Provided also that nothing in these Articles shall apply to any transactions entered into by the company in its ordinary course of business other than transactions which are not on an arm's length basis

144) Where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a resolution in the general meeting, and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board or as the case may be as shareholders, and if the contract or arrangement is with a related party to any director, or is authorized by any other director, the directors concerned shall indemnify the company against any loss incurred by it.

145) Without prejudice to above, it shall be open to the company to proceed against a director or any other employee who had entered into such contract or arrangement in contravention of the provisions of Section 188 of the Act for recovery of any loss sustained by it as a result of such contract or arrangement.

146) Every director shall at the first meeting of the Board of Directors in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after any such change, disclose his concern

or interest in any company or companies or bodies corporate, firms or other association of individuals which shall include the shareholding, in such manner as may be prescribed.

147) Every Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or proposed contract or arrangement entered into or to be entered into by or on behalf of the company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in the provisions of Section 184 of the Act;
Provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the directors of the Company or two or more of them together holds or hold not more than two percent of the paid-up share capital in any such other company.

148) A contract or arrangement entered into by the company without disclosure or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the company.

149) A General Notice given to the Board by the Directors, to the effect that he is a Director or member of a specified bodies corporate or is a partner of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm shall be deemed to be a sufficient disclosure of concern or interest in relating to any contract or arrangement so made. All such notices shall be kept at the registered office of the company and shall be preserved for a period of eight years from the end of the financial year to which it relates and shall be kept in the custody of the Company secretary or any other person as authorized by the Board.

150) No Director shall as direct to take any part in the discussion of, or vote on any contract or arrangement entered into by or on behalf of the company, if he is in any way, whether directly or indirectly concerned or interested in such contract or arrangement not shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided however, that nothing herein contained shall:

(i) be taken to prejudice the operation of any rule of law restricting a director of a company from having any concern or interest in any contract or arrangement with the company;

(ii) apply to any contract or arrangement entered into or to be entered into between two companies where any of the directors of the one company or between one or more companies and one or more bodies corporate where any of the directors of the one company or body corporate or two or more of them together holds or hold not more than two percent of the paid up share capital in other company or the body corporate.

151) The Company shall keep one or more Registers under Section 189 of the Act, giving separately the particulars of all contracts or arrangements in compliance with the provisions of Section 184 and 188, in such manner and containing such particulars as required by the Act and shall within the time specified in the section, entering the particulars, such register shall be placed before the next meeting of the Board and signed by all the directors present at the meeting.
The Register aforesaid shall also specify, in relation to each director of the company the names of the bodies corporate and firms of which notice has been given by him under these Articles. The Register shall be kept at the registered office of the Company and shall be open for inspection at such office during business hours and extracts may be taken therefrom and copies thereof as may be required by any member of the company, shall be furnished by the company to such extent, in same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.

152) A Director may be or become a director of any company promoted by the company or in which it may be interested as a vendor, shareholder, otherwise, and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 197(14) or Section 188 of the Act may be applicable.

153) At every Annual General Meeting of the Company, one third of such of the directors for the time being, as are liable to retire by rotation or if their number is neither three nor a multiple of three, the number nearest to one-third shall retire from office.

154) Subject to Section 152 of the Act, the Directors to retire by rotation under Article 135 at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire, shall in default of and subject to any agreement among themselves, be determined by lot.

155) At the Annual General Meeting at which a director retires under Article 154, the company may fill up the vacancy by appointing the retiring director or some other person thereto.

156) A director may resign from his office by giving a notice in writing to the company and the Board shall on receipt of such notice take note of the same and the company shall intimate the registrar in such manner, within such time and such form as prescribed in the Act, and shall also place the fact of such resignation in the report of Directors laid in the immediately following general meeting by the company. The company shall follow the provisions of Section 168 of the Act.
Provided that a director shall also forward a copy of his resignation alongwith detailed reasons for the resignation, if required under the Act, to the registrar within thirty days of resignation in such manner as prescribed in the Act.

157)

(i) the vacancy of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned until the same day in the next week, at the same time and place or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.

(ii) If at the adjourned meeting also, the vacancy of the retiring Director is not so filled up and the meeting also has not expressly resolved not to fill the vacancy, the retiring director shall be deemed to have been reappointed at the adjourned meeting, unless:

(a) at that meeting or at the previous meeting the resolution for the re-appointment of such Director has been put to the meeting and lost;

(b) the retiring director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;

(c) he is not qualified or is disqualified for appointment;

(d) a resolution whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act; or

(e) the provisions of Section 162 of the Act is applicable to the case.

158)

(i) No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting left at the office of the company a notice in writing under his hand signifying his candidature for the office of Director or as the case may be, the intention of such member to propose him as a candidate for that office.

(ii) Every person (other than a director retiring by rotation or otherwise or a person who has left at the office of the company a notice under Section 160 of the Act Signifying his candidature for the office of a Director) proposed as candidate for the office of a Director shall sign and file with the Company, the consent in writing to act as a Director if appointed along with the deposit of rupees one lakh.

Provided that requirements of deposit of amount shall not apply in case of appointment of an independent director or a director recommended by the Nomination and Remuneration Committee, if any, constituted under sub-section (1) of section 178 or a director recommended by the Board of Directors of the Company, in the case of a company not required to constitute Nomination and Remuneration Committee.

(iii) A person other than a Director reappointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 161 of the Act, appointed as a Director or re-appointed as an Additional or Alternate Director, immediately on the expiry of his term of office, shall not act as a director of the

Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

159) The Company shall keep at its registered office a register containing the particulars of its directors and key managerial personnel mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.

160) Company shall file a return containing particulars and documents as prescribed by the Act, for appointment or changes, if any, of the directors and key managerial personnel of the company, as the case may be, with the Registrar of the Companies within a period of thirty days any such appointment or changes.

REMOVAL OF DIRECTORS

161)

(i) The Company may (Subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles) remove any Directors before the expiry of his period of office.

(ii) Special notice as provided by Section 115 of the Act shall be given for any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed, at the meeting at which he is removed.

(iii) On receipt of notice of a resolution to remove a Director under this article, the Company shall forthwith send a copy thereof to the Director concerned and the Director, whether or not he is a member of the Company, shall be entitled to be heard on the resolution at the meeting.

(iv) Where notice has been given of a resolution to remove a Director under this Article and the director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests its notification to members of the Company, the company shall, unless the representations are received by it too late for it to do so:

(a) in the notice of the resolutions given to members of the company, state the fact of the representations having been made, and

(b) send a copy of the representations to every member of the company to whom notice of the meeting is sent (whether before or after receipt of the representation by the company),

and if a copy of the representation is not send as aforesaid because they were received too late or because of the company’s default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting, provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter and tribunal may order the company’s cost on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.

(v) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the company in General Meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed,
Provided special notice of the intended appointment has been given.

A Director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.

(vi) If the vacancy is not filled, it may be filled as a casual vacancy in accordance with the provisions of the Act, in so far as they are applicable
Provided that the Director who was removed from office under these Articles shall not be reappointed as a Director by the Board of Directors

(vii) Nothing contained in this Article shall be taken:

(a) as depriving a person removed under these Articles of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as Director, or of any other appointment terminating with that as director; or

(b) as derogating from any power to remove a Director under other provisions of the Act.

MANAGING DIRECTOR

162) The Company shall not appoint or employ at the same time a managing director and a manager.

163) The Company shall appoint or re-appoint any person as its managing director, whole-time director or manager for term not exceeding five years at a time;
Provided that no re-appointment shall be made earlier than one year before the expiry of his term

164) Subject to the provisions the section 197 and Schedule V, a Managing Director, Whole time Director or Manager shall be appointed and the terms and conditions of such appointment and remuneration, either be payable monthly or at a specified percentage of the net profits of the company or partly by one way and partly by the other, be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the company and by the Central Government in case such appointment is at variance to the conditions specified in Part I of the Schedule V of the Act.
Provided that a notice convening Board or general meeting for considering such appointment shall include the terms and conditions of such appointment, remuneration payable and such other matters including interest, of a Director or Directors in such appointments, if any.

165) The Company shall not appoint or employ, or continue the appointment or employment of a person as its managing director, whole-time Director or manager who:

(i) is below the age of twenty-one years or has attained the age of seventy years:

(ii) Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;

(iii) is an undischarged insolvent; or has at any time been adjudged as an insolvent;

(iv) has at any time suspended payment to his creditors or makes, or has at any time made, a composition with them; or

(v) has at any time been convicted by a court of an offence and sentenced for a period of more than six months.

166) Subject to the provisions of the Act, where an appointment of managing director, whole-time director or manager is not approved by the company at a general meeting, any act done by him before such approval shall not be deemed to be invalid.

167) The Board of Directors may appoint Managing or Whole Time Director, Director or Manager to manage the affairs of the company and/or a secretary or other officers for such remuneration and on such terms and conditions with the sanctions of the Board and or shareholders in General Meeting and also approved by the Central Government.

168) Notwithstanding anything contain under section 203 of Companies Act 2013 read with rules framed there under as applicable if any, the Managing Director shall also act as Chairman of the Company, Chairman of the Board Meetings and General Body Meetings of Members of the Company.

169) The Directors may appoint a Vice chairman of the Board of Directors to preside at meetings of the directors at which the chairman not be present and determine the period for which he is hold office.

170) All meeting of the Directors shall be presided over by the chairman if present, but if at any meeting of Directors the Chairman be not present at the time appointed for holding the same or the chairman refuse to

preside, the Vice-Chairman, if present, shall preside and if the Vice-Chairman be not present at such time or if the Vice- Chairman refuses to preside or if no Chairman or Vice Chairman has been appointed under the Article and in that case the Directors shall choose one of the Directors then present to preside at the meeting.

PROCEEDINGS OF THE BOARD OF DIRECTORS

171) The Directors may meet together as a Board for the conduct of business from time to time, and shall so meet at least four times in a year in such manner, that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. The Directors may adjourn and otherwise regulate their meetings as they think fit.

172) The participation of directors in a meeting of the Board may be either in person or through video conferencing of other audio visual means, as prescribed in the Companies (Meeting of Board and its Powers) Rules, 2014, which are capable of recording and recognizing the participation of the directors and recording and storing the proceedings of such meeting along with date and time.

173) The Secretary or any officer of the Company, by order of the Board, shall sent notice in writing of every Board meeting called, to every Director, not less than seven days before the meeting at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means.
Provided that a meeting of the Board may be called at a shorter notice to transact urgent business subject to the condition that at least one Independent Director, if any, shall be present at the meeting;

Provided further that in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one Independent Director, if any.

174) The Board shall appoint a Chairman of its meetings and determine the period for which he is to hold office. If no Chairman is appointed or if any meeting of the Board the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present shall choose someone of them to be Chairman of such meeting.

175) The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of Section 174 of the Act. If a quorum shall not be present within the Board, the meeting stand adjourned to the same day at the same time and place in the next week or if that day is a national holiday, till the next succeeding day, which is not a national holiday, at the same time and place.

176) A Meeting of the Board at which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these articles for the time being vested in or exercisable by the Board.

177) Subject to the provisions of Section 203 and 196 of the Act, questions arising at any meeting shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.

178) The Board shall exercise the following powers on behalf of the company by means of resolution passed at the meetings of the Board, namely:

(i) to make calls on shareholders in respect of money unpaid on the shares;

(ii) to authorise buy-back of securities under section 68 of the Act;

(iii) to issue securities, including debentures, whether in or outside India;

(iv) to borrow monies;

(v) to invest the funds of the company;

(vi) to grant loans or give guarantee or provide security in respect of loans;

(vii) to approve financial statements and the Board's Report;

(viii) to diversify the business of the company;

(ix) to approve amalgamation, merger or reconstruction;

(x) to take over a company or acquire a controlling or substantial stake in another company;

(xi) any other matter which may be prescribed under Companies (Meetings of Board and its Powers) Rules, 2014

Provided that the Board may, by a resolution passed at a meeting, delegate to any committees of directors, the managing director, the manager or any other principal officer of the company or in case of a branch office of the company, the principal officer of the branch office, the powers specified in clause (iv) to (vi) on such conditions As it may specify.

Provided further that, if any subject not considered above and subject to provisions of the Act, the Board may transact the business by passing resolution on circulation pursuant to Section 175 of the Act.

179) The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far the same are applicable thereto, and are not superseded by any regulations made by the Board under these Articles.

180) Save in those case where a resolution is required by Sections 161,179,188,203, and 386 of the Act, to be passed at a meeting of the Board, a resolution shall be a valid and effectual as if it had been passed at a meeting of the Board or committee of the board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the directors, or to all the member of the Committee of the board as the case may be, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual address in India and has been approved by such of them as are then in India or by majority of them as are entitled to vote on the resolution.

181) All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a director after his appointment has been shown to the Company to be invalid or to have been terminated.

182) The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in book kept for that purpose with their pages consecutively numbered.

(i) Each page of every such book shall be initialled or signed and the last page of the record of proceeding of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

(ii) In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by a pasting or otherwise.

(iii) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(iv) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings

(v) The minutes shall also contain:

(a) The name of the Directors present at the meeting; and

(b) In the case of each resolution passed at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.

(vi) Nothing contained in sub-clauses (i) to (vi) shall deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting;

(a) is, or could reasonably be regarded as defamatory of any person;

(b) is irrelevant or immaterial to the proceedings; or

(c) is detrimental to the interest of the Company.

The Chairman shall exercise an absolute discretion with regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.

(vii) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

183) The Board may exercise all such powers of the Company and do all such acts, and things as are not, by the Act, or any other Act, or by the Memorandum, or by the Articles of the Company, required to be exercised by the Company in General Meeting subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulation being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulations made by the Company in General Meeting shall invalidate any prior to act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall exercise the powers as specified in section 180 of the Act only with the consent of the company by a special resolution in General Meeting, namely:

(i) to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertaking.

(ii) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation.

(iii) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate to its paid-up capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business.

(iv) to remit, or give time for the repayment of, any debt from a director.

(v) contribute to bona fide chartable and other funds not directly relating to the business of the company or the welfare of its employees, any amount the aggregate of which, in any financial year, exceed five percent of its average net profits for the three immediately preceding financial years.

184) Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, it is hereby declared that the Directors shall have the following powers, that is to say, power;

(i) to pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company;

(ii) to pay any charge to the capital amount of the Company and Commission or interest lawfully payable there out under the provisions of the Act;

(iii) subject to Section 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire, at for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or otherwise acquisition to accept such title as the Directors may believe or may be advised to a reasonably satisfactory;

(iv) at their discretion and subject to the provisions of the Act to pay for any (property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in case of shares, bonds, debentures, mortgages, or other securities of the Company, and such shares may be issued either as fully paid up or with such amount credited as paid up or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures, mortgages or other securities may be either specially charged upon all or any part of the property of the company and its uncalled capital or not so charged;

(v) to secure the fulfillment of any contacts or engagement entered into by the company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the firm being or in such manner as they may think fit;

(vi) to accept from any members, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;

(vii) to appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purposes; and execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;

(viii) to institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the Company and to refer any differences to arbitration, and observe and perform any awards made thereon;

(ix) to act on behalf of the Company in all matters relating to bankrupts and insolvents;

(x) to make and give receipts releases, and other discharge for moneys payable to the Company and for the claims and demands of the Company.

(xi) subject to the provisions of Sections 179, 185 and 186 of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company), or without security and in such manner as they think fit, and from time to time vary or realize such investments save as provided in Section 187 of the Act, all investments shall be made and held in the Company’s own name;

(xii) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company’s property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;

(xiii) to determine from time to time who shall be entitled to sign, on the Company’s behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts, and documents and to give the necessary authority for such purpose.

(xiv) to distribute by way of bonus amongst the staff of the Company, share or shares in the profits of the Company, and to give to any officer or other persons employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;

(xv) to provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason or locality of operation, or of public and general utility or otherwise;

(xvi) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation to depreciation fund, or to an Insurance Fund, or as a Reserve Fund, or sinking fund or any special fund to meet contingencies or to repay debentures or Debenture-stock, or for special dividends or for equalizing dividends or for repairing, improving extending and maintaining any of the property of the Company and such for other purpose (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other then shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner and for such purpose as the Board in their absolute discretion think conducive to the interest of the company, notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital monies of the company might rightly be applied or expended; and to divide the reserve fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a reserve fund or division of a reserve fund to another reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation, fund, in the business of the company or in the purchase or re-payment of debentures or debenture stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper;

(xvii) to appoint, and at their discretion remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants of permanent temporary or special services, as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amounts as they may think fit. Also form time to time provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in the four next following sub-clause shall be without prejudice to the general powers conferred by this sub-clause;

(xviii) to comply with requirements of any local law which in their opinion it shall, in the interests of the Company, be necessary or expedient to comply with;

(xix) from time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such local Boards and to fix their remuneration;

(xx) subject to Section 179 of the Act, from time to time and at any time, to delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow or moneys, and to authorize the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annual or vary any such delegation.

(xxi) at any time and from time to time by power of Attorney under the Seal of the Company, to appoint person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorized by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of the members or any of the Members of any Local Board, established as aforesaid or in favour of any company, or the shareholders, Directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly by the Board any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;

(xxii) subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such contracts, and execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient;

(xxiii) from time to time to make vary and repeal by law for the regulation of the business of the Company, its officer and servants.

CHIEF EXECUTIVE OFFICER, MANAGER, SECRETARY or CHIEF FINANCE OFFICER

185) Subject to the provisions of the Act:

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

186) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

187)

(i) The Board shall provide a Common Seal for the purpose of the company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors or one director and the secretary or such other person as the Board may appoint for the purpose; and those two directors or one director and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVES

188) The company in general meeting may declare dividends to be paid to members according to their respective rights, but no dividend shall exceed the amount recommended by the Board, but the company in general meeting may declare a smaller dividend.

189) Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

190) No dividend shall be declared or paid by the company for any financial year except, Out of the profits of the company for that year arrived at after providing for depreciation in accordance with the provisions of schedule II of the Act, or out of the profits of the company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of that schedule and remaining undistributed, or out of both, provided that;

(i) The company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the company:

(ii) Where owing to inadequacy or absence of profits in any financial year, the company proposes to declare dividend out of the accumulated profits earned by it in previous year and transferred by the company to the reserves, such declaration of dividend shall not be made except in accordance with Companies (Declaration and Payment of Dividend) Rules, 2014.

(iii) No dividend shall be declared or paid by the company from its reserves other than free reserves.

191) The Board of Directors of the Company may declare interim dividend during any financial year or at any time during the period from closure of financial year till holding of the annual general meeting out of the surplus in the profit and loss account or out of profits of the financial year for which such interim dividend is sought to be declared or out of profits generated in the financial year till the quarter preceding the date of declaration of the interim dividend:
Provided that in case the company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the company during the immediately preceding three financial years.

192)

(i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

193) No member shall be entitled to receive payments of any interest or dividend in respect of his share or shares, while any money may be due or owing from him to the company in respect of such share or shares or otherwise however, either alone or jointly with any other person or persons and the Board may deduct from any dividend or interest payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

194)

(i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) No dividend shall be paid by the company in respect of any share therein except to the registered shareholder of such share or his order or to his banker and shall not be payable except in cash.
Provided that nothing in this Article shall be deemed to prohibit the capitalization of profits or reserves of the company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the company.

Provided further that any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.

195) Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

196) Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

197) Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the company in that behalf In any scheduled bank, to be called "Unpaid Dividend Account". The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act

There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law and such forfeiture, if effected, shall be annulled in appropriate cases. The company shall comply with the provisions the Act in respect of all unclaimed or unpassed dividend.

198) No dividend shall bear interest against the company.

CAPITALISATION OF PROFITS

199)

(i) The company in general meeting may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards:

(a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);

(d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

200)

i. Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

ii. The Board shall have power:

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

iii. Any agreement made under such authority shall be effective and binding on such members.

ACCOUNTS

201) The Company shall keep at the registered office or at such other place in India as the Board thinks fit, proper books of Account in accordance with Section 128 the Act.

202) Where the Board decides to keep all or any of the Books of Accounts at any place other that the office of the company the Company shall within seven days of the decision file with the Registrar a notice in writing given the full address of that other place.

203) The Company may keep the books the accounts or other relevant papers in accordance with Section 128 of the Act, in electronic mode in such manner as prescribed.

204) The Company shall preserve in good order the Books of Accounts relating or period of not less eight year immediately preceding the financial year together with the vouchers relevant to any entry in such books of Account.

205) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarized return made up to date at intervals of not more than three months are sent by the branch office to the Company at its office or other place in India, at which the company's Books of Account are kept as aforesaid.

206) The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transaction; The Books of Account and other books and papers shall be open to inspection by any Directors during business hours.

207) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the company or any of them shall be open to the inspection of members not being Directors.

208) No member (not being a Director) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorized by the Board or by the company in general meeting.

209) The Directors shall from time to time, in accordance with Sections 129, 133 and 134 of the Act, cause to be laid before the company in General Meeting, such Balance Sheets, profits and loss account and reports as are required by these Sections.

210) A Copy of every Balance Sheet and Profit and loss account (including the Auditors Report and every other document required by law to be annexed or attached to the Balance Sheet) or a Statement containing salient features of such documents in the prescribed form, as laid down under Section 136 of the Companies Act, 2013 as the Company may deem fit, shall not less than twenty-one days before the Meeting at which the Balance Sheet and the profit and loss Account are to be laid before the Members, be sent to every person entitled thereto pursuant to the provisions of the Section 136 of the Companies Act, 2013 provided this Article shall not require a copy of the documents to be sent to any person of whose address the Company is not aware of or to more than one of the joint holders of any shares.

AUDIT

211) Auditors shall be appointed and their rights and duties regulated in accordance with Section 139 to 145 of the Act.

212) The first Auditor or auditors of the company shall be appointed by the board within one month of the date of registration of the company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first annual general meeting:

Provided that the Company may, at a General Meeting remove and such auditor or all of such auditors and appoint in his or their place any other person or persons who have been nominated for appointment by any member of the Company and of whose nominated notice has been given to the members of the Company not less than fourteen days before the date of the meeting,

Provided further that if the Board fails to exercise its powers under this Article, the Company in General meeting may appoint the first Auditor or Auditors

Provided also that before such appointment is made, the written consent of auditor to such appointment and a certificate from him or it that the appointment if made, shall be in accordance with the conditions as prescribed, shall be obtained from the auditor.

Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in section 141 of the Act

Provided also that the company shall inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the registrar within fifteen days of the meeting in which the auditor is appointed.

DOCUMENTS AND NOTICES

213)

(i) A document or notice may be served or given by the Company or any member either personally or sending its by post to him to his registered address, if he has no registered address in India, to the address, if any, in India supplied by him to the Company for serving documents of notice on him.

(ii) Where a documents or notice is sent by post, services of the documents or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice provided that where a member has intimated to the Company in advance that documents or notices should be sent him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents or notice shall not be the manner intimated by the member and; such service shall be deemed to have been effected in the case of Notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.

214) A document or notice advertised in a newspaper circulating in the neighborhood of the office shall be duly served or sent on the day on which the advertisement appears on or to every member who has no registered address in India and has not supplied to the Company any address within India for serving of documents or the sending of notices to him.

215) A document or notice may be served or given by the Company on or given to the joint-holders of a share by serving or giving the document or notice or on or to the joint-holders named first in the Register of members in respect of the share.

216) A document or notice may be served or given by the Company on or to the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the persons claiming to be entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

217) Document or notices of every General Meeting shall be served or given in the same hereinbefore authorized on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member, and (c) the Auditor of Auditors for the time being of the Company.

218) Every person whom by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document or notice in respect of such shares, previously to his name and address being entered on the Register of members, shall have been duly served on or given to the person from whom he drives his title to such share.

219) Any document or notice to be served or given by the Company may be signed by a director or some person duly authorized by the Board of directors for such purpose and the signatures thereto may be written printed or lithographed.

220) All documents or notices to be served or given by members on or to the Company or any office thereof shall be served or given by sending it to the Company or any officer at the office by post under a certificate of posting or by registered post or by speed post or by courier or by delivering at his office or address, or by such by electronic or other mode

RECONSTRUCTION

221) On any sale of the undertaking of the company the Board or the Liquidators on a winding-up may, if authorized by a Special Resolution accept fully paid or partly paid-up shares, debentures or securities of any other company whether incorporated in India or in part of the property of the Company and the Board (if the profits of the Company permit) or the Liquidators (in a winding-up) may distribute such shares or securities or any other property of the Company amongst the members without realization or vest the same in trustees for them and any special Resolution may provide for the distribution or appropriation of the cash shares or other securities, benefits or property otherwise than in accordance with the strict legal right of the member or contributories of the company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorized and waive all rights in relation the course of being wound up, such statutory right (if any) under of the Act as are incapable of being varied excluded by these Articles.

WINDING UP

222) Subject to the provisions of Chapter XX of the Act and rules made thereunder:

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY AND RESPONSIBILTY

223) Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECRECY

224) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so declaration pledging himself to observe strict secrecy regarding all customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Board as by Court of Law and except so far as be necessary in order to comply with any; of the provisions of these presents constituted.

GENERAL AUTHORITY

225) Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then

and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

SECTION X: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for filing. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days and will also be available online at https://allchemlifescience.com/ipo-offer-documents.php from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts

1. Offer Agreement dated March 13, 2025, entered amongst our Company, the Promoter Selling Shareholders and the BRLM.

2. Registrar Agreement dated March 13, 2025, entered amongst our Company, the Promoter Selling Shareholders and the Registrar to the Offer.

3. Cash Escrow and Sponsor Bank Agreement dated [●] entered amongst our Company, the Registrar to the Offer, the BRLM, the Promoter Selling Shareholders, the Syndicate Members, the Escrow Collection Bank(s), the Bankers to the Offer.

4. Share Escrow Agreement dated [●] entered amongst our Company, the Promoter Selling Shareholders and the Share Escrow Agent.

5. Syndicate Agreement dated [●] entered amongst our Company, the Promoter Selling Shareholders, the BRLM, and the Syndicate Members.

6. Underwriting Agreement dated [●] entered amongst our Company, the Promoter Selling Shareholders and the Underwriters.

7. Monitoring Agency Agreement dated [●] amongst our Company and the Monitoring Agency.

B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company, as amended.

2. Certificate of incorporation dated January 12, 2017, under the name of 'Allchem Lifescience Private Limited'.

3. Fresh certificate of incorporation dated October 28, 2024, under the name of 'Allchem Lifescience Limited' pursuant to conversion into public limited company.

4. Resolution of our Board dated March 5, 2025, in relation to the Offer and other related matters.

5. Resolution of our Shareholders dated March 6, 2025, authorising the Offer, the Fresh Issue and other related matters.

6. Resolution of our Board dated March 13, 2025, approving this Draft Red Herring Prospectus.

7. Copies of annual reports of our Company for the last 3 Fiscals.

8. Examination report on the Restated Financial Statements dated March 3, 2025, of our Statutory Auditors, included in this Draft Red Herring Prospectus.

9. Consent letter dated March 13, 2025, from our Statutory Auditors for inclusion of their name as an ‘expert’ as defined under Section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated March 3, 2025, on our Restated Financial Statements; and (ii) the statement of special tax benefits available to our Company and our Shareholders dated March 13, 2025, included in this Draft Red Herring Prospectus.

10. Consent dated March 10, 2025, from A.Y. Chippa from the independent chartered engineer, to include his name as an ‘expert’ as defined under Section 2(38) of the Companies Act to the extent and in his capacity as independent chartered engineer and in respect of the certificates dated March 10, 2025, issued by him in connection with, *inter-alia*, production capacity, actual production, and capacity utilisation of our Company.

11. Consents of the Promoter Selling Shareholders, our Directors, our Promoters, our Company Secretary and Compliance Officer, our Chief Financial Officer, the Bankers to our Company, the legal counsel appointed for the Offer, CARE, the BRLM, the Registrar to the Offer, as referred to in their specific capacities.

12. Consent letters from the Promoter Selling Shareholders, for their participation in the Offer. For further details, see ‘*Other Regulatory and Statutory Disclosures*’ on page 410.

13. Certificate on Key Performance Indicators issued by our Statutory Auditors, namely, M/s Talati & Talati LLP, Chartered Accountants dated March 13, 2025.

14. Resolution of the Audit Committee dated March 13, 2025, approving the Key Performance Indicators.

15. Industry report titled *‘Research Report on API Intermediates Industry’* dated March 10, 2025, prepared and issued by CARE, appointed by us pursuant to an engagement letter dated August 1, 2024, exclusively commissioned and paid us in connection with the Offer, which is available on the website of our Company at https://allchemlifescience.com/ipo-offer-documents.php.

16. Consent letter dated March 10, 2025, from CARE to include contents or any part thereof from CARE Report titled *‘Research Report on API Intermediates Industry’* dated March 10, 2025, in this Draft Red Herring Prospectus.

17. Tripartite agreement between NSDL, our Company and Registrar to the Offer dated February 7, 2025.

18. Tripartite agreement between CDSL, our Company and Registrar to the Offer dated February 12, 2025.

19. SEBI final observations letter no. [●] dated [●].

20. Due diligence certificate dated March 13, 2025, addressed to SEBI from the BRLM.

21. In principle listing approvals dated [●] and [●], issued by BSE and NSE, respectively.

DECLARATIONS

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Bipin Patel
Chairman and Managing Director

Place: Vadodara
Date: March 13, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Kantilal Ramanlal Patel
Whole Time Director

Place: Vadodara
Date: March 13, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Aditi Patel
Whole Time Director

Place: Vadodara
Date: March 13, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Lavina Bharatkumar Chhugani
Independent Director

Place: Vadodara
Date: March 13, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Hemang Mehta
Independent Director

Place: Vadodara
Date: March 13, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Rajnikant Chimanlal Diwan
Independent Director

Place: Vadodara
Date: March 13, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, and the rules, regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, and the SEBI Act, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

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Sachin K Mistry
Chief Financial Officer
Place: Vadodara
Date: March 13, 2025

DECLARATION

I, Kantilal Ramanlal Patel, in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY THE PROMOTER SELLING SHAREHOLDER

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Kantilal Ramanlal Patel
Promoter Selling Shareholder
Place: Vadodara
Date: March 13, 2025

DECLARATION

I, Manisha Bipin Patel, in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

SIGNED BY THE PROMOTER SELLING SHAREHOLDER

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Manisha Bipin Patel
Promoter Selling Shareholder
Place: Vadodara
Date: March 13, 2025